

**Ocean Dial Investment Funds Plc**

**ANNUAL REPORT &  
AUDITED CONSOLIDATED FINANCIAL STATEMENTS**

**For the year ended 31 March 2014**

## **Ocean Dial Investment Funds Plc**

<b>Contents</b>	<b>Page</b>
Organisation	1
Background to the Company	3
Investment Manager's Reports	5
Reports of the Directors and Statement of Directors' Responsibilities of Ocean Dial Investment Funds Plc	9
Report of the Custodian to the Shareholders	13
Independent Auditor's Report	15
Consolidated Statement of Comprehensive Income	17
Consolidated Statement of Financial Position	18
Consolidated Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares	19
Consolidated Statement of Cash Flows	20
Notes to the financial statements	21
Consolidated Schedule of Investments	33
Schedule of Material Portfolio Changes (unaudited)	35
Company Statement of Financial Position	36
Company Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares	37
Company Statement of Cash Flows	38

## **Ocean Dial Investment Funds Plc**

### **Organisation**

#### **Directors of the Company**

David Hammond

John Bohan (Appointed on 12 September 2013)

James Cayzer-Colvin\*

Maheshwar Doorgakant (Appointed on 18 September 2013)

Robin Sellers (Appointed on 9 September 2013)

Jonathan Quigley (Appointed on 30 May 2012 and resigned on 12 September 2013)

Rubina Toorawa (Appointed on 30 May 2012 and resigned on 9 September 2013)

Sanjeev Aga (Appointed on 30 May 2012 and resigned on 10 April 2013)\*

\*Independent Non-Executive

#### **Investment Manager and Distributor**

Ocean Dial Asset Management Limited

Cayzer House

30 Buckingham Gate

London SW1E6NN

United Kingdom

#### **Legal Advisers (Ireland) and Sponsoring Brokers**

Dillon Eustace

33 Sir John Rogerson's Quay

Dublin 2

Ireland

#### **Administrator**

**(appointed on 27 September 2013)**

Apex Fund Services (Ireland) Limited

1st Floor, Block 2

Harcourt Centre

Harcourt Street

Dublin 2

Ireland

#### **Administrator**

**(resigned on 27 September 2013)**

Northern Trust International Fund Administration

Services (Ireland) Limited

Georges Court

54-62 Townsend Street

Dublin 2

Ireland

#### **Custodian**

**(appointed on 27 September 2013)**

Société Générale S.A. (Dublin Branch)

3rd Floor, IFSC House

IFSC

Dublin 1

Ireland

#### **Custodian**

**(resigned on 27 September 2013)**

Northern Trust Fiduciary Services (Ireland) Limited

Georges Court

54-62 Townsend Street

Dublin 2

Ireland

#### **Auditors**

Deloitte & Touche

Chartered Accountants

& Statutory Audit Firm

Deloitte & Touche House

Earlsfort Terrace

Dublin 2

Ireland

#### **Registered Office**

1st Floor, Block 2

Harcourt Centre

Harcourt Street

Dublin 2

Ireland

**Ocean Dial Investment Funds Plc**

**Organisation (continued)**

**Secretary**

**(appointed on 27 September 2013)**

Apex Fund Services (Ireland) Limited

Services (Ireland) Limited

1st Floor, Block 2

Harcourt Centre

Harcourt Street

Dublin 2

Ireland

**Registered No: 506061**

**(resigned on 27 September 2013)**

Northern Trust International Fund Administration

Services (Ireland) Limited

Georges Court

54-62 Townsend Street

Dublin 2

Ireland

## **Ocean Dial Investment Funds Plc**

### **Background to the Company**

#### **Description**

Ocean Dial Investment Funds plc (the "Company") is an open-ended investment company with variable capital and segregated liability between Funds incorporated in Ireland on 15 November 2011. The Company has been authorised by the Central Bank of Ireland (the "Central Bank") as an Undertaking for Collective Investment in Transferable Securities ("UCITS") pursuant to the UCITS Regulations.

The Company is structured as an umbrella Fund consisting of different Funds each comprising one or more classes. The Shares issued in each Fund will rank pari passu with each other in all respects provided that they may differ as to certain matters including currency of denomination, hedging strategies if any applied to the currency of a particular class, dividend policy, the level of fees and expenses to be charged or the minimum initial subscription, minimum holding and minimum transaction size applicable. The assets of each Fund will be invested separately on behalf of each Fund in accordance with the investment objective and policies of each Fund. At 31 March 2014 there was one Fund in existence, the Ocean Dial Gateway to India Fund (the "Fund"). The Fund was launched on 10 September 2012.

The Fund holds 100% of the share capital of the Ocean Dial Gateway to India (Mauritius) Limited. Ocean Dial Gateway to India (Mauritius) Limited is registered with the Securities and Exchange Board of India (SEBI) as a sub-account of the Investment Manager, which is registered as a Foreign Institutional Investor with SEBI. Ocean Dial Gateway to India (Mauritius) Limited will pursue the same investment objective as the Fund and will be subject to the same investment policies, restrictions and guidelines of the Fund and the Company generally, but subject at all times to any applicable law, regulations or guidelines applicable to Ocean Dial Gateway to India (Mauritius) Limited, including in its capacity as a sub-account of the Investment Manager.

#### **Investment Objective and Policy**

The investment objective of the Fund is to provide a long term capital appreciation.

The Fund intends to achieve its investment objective by investing primarily in a diversified portfolio of equities and equity related securities of (i) large and mid-cap companies that have their registered office in India and are listed on Recognised Exchanges worldwide, (ii) large and mid-cap companies that exercise a preponderant part of their economic activity in India and are listed on Recognised Exchanges worldwide and/or (iii) large and mid-cap companies whose equity and equity related securities are listed, traded or dealt in on Indian stock exchanges as further detailed in the Prospectus.

The Fund (either directly or through investment in any subsidiary) may use derivative instruments for investment purposes and/or efficient portfolio management purposes. Derivatives may be traded on Recognised Exchanges worldwide. In relation to the equity related securities in which the Fund may invest, these may include, but are not limited to, preference shares, convertible bonds, convertible preference shares, American Depositary Receipts and Global Depositary Receipts.

The Fund will measure its performance against the S&P BSE Dollex 30 Index ("Index"). This Index tracks the S&P BSE Sensex 30 Index using a US Dollar rate fixed by the Reserve Bank of India at midday daily. The Index is a cap weighted Index and the Index members have been selected on the basis of liquidity, depth and floating stock adjustment depth and industry representation.

## **Ocean Dial Investment Funds Plc**

### **Background to the Company (continued)**

#### **Net Asset Value**

The Net Asset Value of each Fund or, if there are different Classes within a Fund, each Class will be calculated by the Administrator as at each Valuation Point for each Fund in accordance with the Articles of Association.

The Net Asset Value of the Fund shall be determined as at each Valuation Point by valuing the assets of the relevant Fund (including income accrued but not collected) and deducting the liabilities of the relevant Fund (including a provision for duties and charges, accrued expenses and fees and other liabilities). The Net Asset Value of a Fund will be expressed in the Base Currency of the Fund, or in such other currency as the Directors may determine either generally or in relation to a particular Class in a specific case.

#### **Dividend Policy**

Dividends (if any) will normally be declared on the next Business Day following 31 March in each year and will be paid to Shareholders appearing on the register of Shares of the relevant Class at the close of business on that date on or before 30 April in that year. Payments of dividends to Shareholders will be made in the currency of denomination of the Class by telegraphic transfer to an account designated by the Shareholders in the Application Form.

#### **Subscriptions**

Each investor must subscribe a minimum of US\$5,000 or the equivalent in other currencies and must at all times retain Shares having a Net Asset Value of US\$5,000, a Shareholder may make subsequent subscriptions and redemptions, each subject to a minimum transaction size of US\$1,000. As at 31 March 2014, there are two share classes in issue, Class A (US\$) and Class C (GBP) in the Fund. Share Class B (EUR) has not yet launched.

For Share Class D (US\$), launched on 29 May 2014, the minimum initial subscription for each investor is of US\$10,000,000 and a shareholder may make subsequent subscriptions and redemptions, each subject to a minimum transaction size of US\$1,000,000.

**Investment Manager's Report**

The year proved to be challenging for India's equity and currency markets. This was as a consequence of on-going political and economic uncertainty on the domestic stage combined with the gradual reduction of monetary stimulus introduced by the US Federal Reserve following the Global Financial Crisis of 2007/08. The withdrawal of the so called "quantitative easing" policies shook investors' confidence in India's ability to manage its macro-economic imbalances causing substantial asset price volatility.

The final quarter has provided the start of some resilience however. Investor sentiment has recovered on the back of improving macro-economic data, reduced volatility in the Indian Rupee, and crucially the belief that the sustained period of political and economic mismanagement was drawing to a close. Amidst this backdrop the Portfolio delivered returns of 17.54% against 7.53% by the BSE Dollex 30 delivering an outperformance of 10.01%. The Rupee depreciated by 10.47% over the year.

**Economy and politics**

Economic growth in India has continued to stagnate in spite of efforts by politicians and bureaucrats to reverse the collapse in GDP that began in FY 2011. In late 2012, under pressure from the markets and with the International Rating Agencies threatening to downgrade India's debt status to junk, the then Finance Minister put in place a number of reforms designed to reduce India's ballooning deficits, opening up certain sectors to foreign direct investment (FDI), with the intention of reversing the rapidly declining market sentiment and quickly restoring India's growth potential.

Despite these positives, events in the global market place beyond India's control exposed further the vulnerability of its economy. This became evident following the US Federal Reserve Chairman Ben Bernanke's announcement of a potential "tapering" of quantitative easing as the US economy gained traction. It was the appointment of Mr Raghuram Rajan as the Governor of the Reserve Bank of India in August 2013 that brought about the first positive change in investor sentiment and stability to asset prices. The new Governor introduced effective policies designed to increase foreign exchange reserves, reduce the current account deficit, and bring inflation under control. Much of the success of these policies hinged on reversing monetary policy; but by raising interest rates to 8% he sacrificed an immediate recovery in growth in order to secure economic stability.

These policies have been successful in so much that India's currency reserves have risen from US\$280bn in mid-2013 to circa US\$312bn. Furthermore, India's current account deficit has also recovered from 4.7% GDP in FY13 to 1.7% in FY14. Inflation is falling, with both wholesale and consumer price inflation reducing; and barring any adverse shocks to agricultural output as a consequence of poor rains, this trend is expected to continue. However in spite of the improvement in economic data, India's recovery has failed to gain traction. Quarterly GDP growth rates have remained sub-par in the region of 4.5%-4.7% and Corporate India has been cautious about future investment plans. In addition, larger parts of the banking system are struggling with poor quality assets on their lending books limiting the extension of credit, and whilst there is huge pockets of pent-up demand in the economy, areas of over capacity still exist. In addition the RBI's reluctance to cut interest rates, due to persistently high (but falling) inflation reduces the economy's ability to expand at its full potential. The success of the BJP, led by Narendra Modi, in winning a full mandate (the first time India has had majority Government in the last 30 years), now provides India with the best opportunity for many decades of reviving growth and generating positive stock market returns.

**Investment Manager's Report (continued)**

**Outlook**

Since the election of a new BJP administration led by Narendra Modi in May 2014, the outlook for the Indian economy is improving rapidly. Not only does Modi have a proven track record of delivering growth as Chief Minister of Gujarat, well in excess of the country's average, but contrary to expectations and recent history, this new Government has an overall majority in the legislative assembly. This will ensure that politically tough, growth sensitive reforms will be passed into law with minimum disruption, at a time when restructuring is scarcely evident.

The BJP's overall mandate will reassure Corporate India that the new Government can survive a full five year term. This will encourage investment to pick up quickly, confident that widely anticipated pro-business policies will be implemented and will remain in place for sufficient time to make the risk reward worthwhile. In addition, the BJP has articulated to voters its intention to revive growth in an honest, transparent and accountable manner. If this is backed up with hard policy initiatives foreign direct investors and portfolio investors alike will immediately begin to reconsider India as a credible investment destination, following a long layoff. It is anticipated that priority will be given to those areas which are both relatively straightforward to tackle, and have an immediate economic impact. We expect these to come in the area of agricultural reform, transparent tax policies for foreign investors, implementation of a country wide VAT based tax system, and enabling critical, but much delayed infrastructure projects to be restarted. The latter will depend on ensuring a smooth functioning bureaucracy working closely with a recently streamlined political infrastructure in order to fast track project approvals in an efficient manner. Such has been the delays in this regard over the last few years it is plausible to expect positive change can happen quite quickly "off a low base". Indeed, in slimming down his cabinet and merging a number of inter dependant ministries; Modi has already taken crucial first steps towards clearing the way for a reform process that has a long journey. The necessary structural changes to labour laws required facilitating job creation, and land reform (essential for urbanisation and infrastructure development), will both take time to enshrine. These are longer term issues, but on the basis of what has been achieved in Gujarat under Modi's leadership to date, it is only a question of time before they will be addressed.

Positive development can be expected in other areas of the economy such as increasing foreign direct investment limits in key sectors (notably defence and insurance), banking sector reform, and the reduction of a subsidy based payment system to the less privileged in order to manage the fiscal balance more responsibly. In conclusion this is the right time to be investing in India, ahead of momentous change, ensuring India inches closer to fulfilling its true potential.

**Portfolio construction and performance**

The portfolio's largest exposure is to the Financial Services sector (mainly the private sector banks and non-banking finance companies). Significant overweight positions have been built in Materials, Healthcare and Industrials. The portfolio is underweight in Financials, Consumer Staples, Energy, Telecom and Utilities, whilst remaining broadly neutral in Consumer Discretionary and IT. Whilst the portfolio's consumer and healthcare exposure is positioned to provide steady growth, the overweight in the Industrial and Material sector is expected to take advantage of the impending economic recovery. Within the Industrials portfolio, investments have been made in companies with strong balance sheets, providing some downside protection in the event of further delays to the recovery.

All the sectors apart from Utilities contributed positively to the fund's performance. At the stock level, PI Industries (an agrochemical company) rose 122.6%, HCL Technologies (mid-sized IT Company) rose 77.1%, VST Tillers (a manufacturer of agri machinery) rose 88.3%, eClerx Services (small-sized IT Company) rose 81.6% and Balkrishna Industries (Tyres and Tubes manufacturer) rose 77.8% over the period.

The negative contribution arose from Axis Bank (private sector Bank) down 27.7%, Ramco Cements (small size cement manufacturer) down 15.2%, Aditya Birla Nuvo (a conglomerate with exposure to Telecom, Financial Services and Garment retailing) down 12.4%. We have completely exited from Axis Bank and Ramco Cement during the year while we continue to hold Aditya Birla Nuvo on attractive valuations and limited downside.

## **Ocean Dial Investment Funds Plc**

### **Investment Manager's Report (continued)**

#### **Principal Investments at 31 March 2014**

##### **ICICI Bank (Financial Services, 5.9% of the portfolio)**

ICICI is India's second largest bank and the largest among private banks with total assets of ~US\$100bn and 3,100 branches, while its subsidiaries in the insurance, asset management and securities broking sectors are amongst the leading companies in their respective fields. It has built a strong retail franchise to complement its corporate banking and is well positioned to capitalize on the fast growing retail market.

##### **HCL Technologies (IT, 5.7% of the portfolio)**

HCL is one of the fastest growing IT companies not only in India but globally. It brings IT and engineering services expertise under one roof to solve complex business problems for its clients. Leveraging its extensive global offshore infrastructure and network of offices in 31 countries, it provides holistic, multi-service delivery in such industries as financial services, manufacturing, consumer services, public services and healthcare. The company has consistently grown above industry average and its high order book lends comfort for revenue visibility.

##### **ITC (Consumer Discretionary, 5.5% of the portfolio)**

ITC is India's largest cigarette company with 73% volume share and 85%+ value share. Since 2000, it has diversified its business to include hotels, consumer products, paper, retailing and agriculture exports, which generate 42% of its revenue. ITC has grown into India's third largest FMCG business and currently has a market cap US\$44bn and revenues of US\$7bn annually.

##### **Bank of Baroda (Financial Services, 5.2% of the portfolio)**

Bank of Baroda is a Government owned bank focused on the Western India. It has a strong domestic presence through over 4,000 branches, while also transforming itself into 'India's International Bank' with 98 branches/offices in 24 countries and a presence in the world's major financial centres including New York, London and Hong Kong. It has a high quality asset franchise and a solid deposit base both in domestic and overseas markets.

##### **PI Industries Ltd (Materials, 4.8% of portfolio)**

PI focuses on agricultural input and custom synthesis businesses. It has followed a focused strategy with a portfolio of 17-18 products, due to its tie-up with MNCs for IP products where it manages all aspects from the registration process onwards. It has exclusive rights with several global companies for distribution in India and is constantly on the lookout to expand its operations. It has a strong order book of US\$300m which ensures long term revenue visibility in the custom synthesis segment.

##### **VST Tillers and Tractors (Industrials, 4.4% of portfolio)**

VST is the leader in Indian power tiller industry with a strong presence in the ~20HP tractor segment. Its power tiller business accounts for 57% of its total sales, while low HP tractors, diesel engines and precision components account for the rest. Over the medium term, VST's growth should be driven by the Government's push to improve farm power availability (to increase farm yields) and the introduction of new products in the 18.5 & 22 HP tractor space.

##### **Sundaram Finance (Financial Services, 4.0% of the portfolio)**

Sundaram Finance is a leading asset finance company with more than five decades of experience in commercial vehicle and passenger car financing. The company also has interests in housing finance, asset management, general insurance and financial product distribution. It was established in 1954 and has a very strong track record with more than 200,000 depositors and Rs200bn consolidated AUM.

##### **Supreme Industries (Industrials, 3.8% of portfolio)**

Supreme Industries is one of the most prominent plastic manufacturing companies in India, having over 44 years of experience under the current management. It has been consistently increasing capacity in the plastics processing and has more than 7,000 diversified products. It processes over 0.2m metric tonnes of plastic per annum, has 19 manufacturing locations and 1,200 distributors across India.

## **Ocean Dial Investment Funds Plc**

### **Investment Manager's Report (continued)**

#### **Cummins India (Industrials, 3.8% of portfolio)**

Cummins is the leading manufacturer of diesel and natural gas engines in India and a play on the multiple segments of power requirement, rising mobile penetration across rural and suburban geographies, strong coal requirement (driving demand in mining), and continued growth in automobile sales on the back of large potential in environment. Today Cummins has expanded its businesses across markets and geographies, spanning 200 locations in the country. Employing more than 9,000 individuals, the Group has revenues of ~US\$1.6bn.

#### **Mahindra and Mahindra (Consumer Discretionary, 3.7% of the portfolio)**

Mahindra & Mahindra is the flagship company of the Mahindra Group. It has two main operating divisions, automotive and farm equipment. It is the largest manufacturer of utility vehicles in India, with a dominant 48% market share, while its tractors division holds a 41% share. M&M is also the second largest player in the light commercial vehicle industry with 30% share. The company also has investments in standalone entities operating in the areas of IT, financial services, auto components and hospitality.

## **Ocean Dial Investment Funds Plc**

### **Report of the Directors and Statement of Directors' Responsibilities of Ocean Dial Investment Funds Plc**

#### **For the year ended 31 March 2014**

The Directors present herewith the Annual Report and Audited Consolidated financial statements for the year ended 31 March 2014.

#### **Statement of Directors' Responsibilities**

Irish company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper books of accounts which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements are prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and comply with Irish statute comprising the Companies Acts, 1963 to 2013 and with the European Communities (Undertaking for Collective Investment in Transferable Securities) Regulations, 2011 and the Listing Rules of the Irish Stock Exchange. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **Principal Activities**

The Company has been approved by the Central Bank of Ireland as an Undertaking for Collective Investment in Transferable Securities pursuant to the European Communities (Undertaking for Collective Investment in Transferable Securities) Regulations, 2011 ("UCITS"). At 31 March 2014 there was one Fund "Ocean Dial Gateway to India Fund" in existence which launched on 10 September 2012. There are two share classes in issue in the Fund, Class A (US\$) and Class C (GBP).

The Company acquired Ocean Dial Gateway to India (Mauritius) Limited as a subsidiary of the Company on 10 September 2012.

#### **Review of Business and Future Developments**

A review of business and future developments is included in the Investment Manager's Reports on page 5 to 8.

#### **Results and Dividends**

The results and dividends for the year are set out in the Consolidated Statement of Comprehensive Income on page 17. There were no dividends declared for the year.

#### **Risk Management objectives and policies**

The principal risks and uncertainties faced by the Company are the investment risks associated with the portfolio of investments held for the account of the Fund and the operational risks associated with their management and administration. A more detailed analysis of some of the risks facing the Company is included in Note 13 of the Notes to the Financial Statements.

## **Ocean Dial Investment Funds Plc**

### **Report of the Directors and Statement of Directors' Responsibilities of Ocean Dial Investment Funds Plc (continued)**

**For the year ended 31 March 2014**

#### **Events during the period**

Sanjeev Aga resigned as Director on 10 April 2013 and Maheshwar Doorgakant was appointed as Director on 18 September 2013, Rubina Toorawa was replaced with Robin Sellers as Director on 9 September 2013 and Jonathan Quigley was replaced with John Bohan as Director on 12 September 2013.

On 21 May 2013 Ocean Dial Group Limited and its subsidiaries, including Ocean Dial Asset Management Limited (the "Investment Manager"), was sold by Caledonia Investments PLC to Ocean Dial Investment Company Singapore Private Limited, a company owned by the management of the Investment Manager.

On 27 September 2013, the Administrator and Secretary were changed to Apex Fund Services (Ireland) Limited from Northern Trust International Fund Administration Services (Ireland) Limited Services (Ireland) Limited.

On 27 September 2013, the Custodian was changed to Société Générale S.A. from Northern Trust Fiduciary Services (Ireland) Limited.

#### **Directors and secretary's interest**

The Directors who held office during the period are listed on page 1.

Except as disclosed in note 10 to the financial statements at the reporting date neither the directors nor any associated person have any other beneficial interest in the Share Capital of the Company or held any options in respect of such capital.

#### **Transactions Involving Directors**

Mr. Robin Sellers is Chief Executive Officer of Ocean Dial Asset Management Limited, the Investment Manager, Distributor and Promoter of Ocean Dial Investment Funds Plc. Mr. Maheshwar Doorgakant is the Deputy Managing Director of Apex Fund Services (Mauritius) Ltd., the administrator to the subsidiary of the sub-fund of Ocean Dial Investment Funds Plc. Mr. John Bohan is Director of Apex Fund Services (Ireland) Limited, the administrator and Secretary to Ocean Dial Investment Funds Plc. James Cayzer-Colvin is an executive Director of Caledonia Investments PLC, which was the ultimate holding company of the Investment Manager until 21 May 2013, when it was acquired by Ocean Dial Investment Company Singapore Private Limited, a company owned by the management of the Investment Manager. He was also Chairman of the Investment Manager until 21 May 2013 when he resigned following the change in ownership of the Investment Manager. Jonathan Quigley was a Director until 12 September 2013 and employee of the prior Administrator, Northern Trust International Fund Administration Services (Ireland) Limited. David Hammond is a Director of Bridge Consulting Limited which provides the Company with consulting services in relation to its obligations under the UCITS Regulations. Rubina Toorawa is the COO at IFS, which provided administration services to the Mauritian subsidiary prior to the current Administrator.

#### **Prospectus**

The Prospectus of the Company was issued on 17 August 2012 and then amended on 30 September 2013. There were no other material changes to the Prospectus during the year.

## Ocean Dial Investment Funds Plc

### Report of the Directors and Statement of Directors' Responsibilities of Ocean Dial Investment Funds Plc (continued)

For the year ended 31 March 2014

#### Corporate Governance

The Board of Directors complies in full with the Irish Funds Industry Association ("IFIA") Code except in respect of independent directors which is explained below and has assessed the measures included in the IFIA Code as being consistent with its corporate governance practices and procedures for the financial year.

The Company is also subject to corporate governance practices imposed by:

- (i) The Irish Companies Acts 1963 to 2013 which are available for inspection at the registered office of the Company and may also be obtained at [www.irishstatutebook.ie](http://www.irishstatutebook.ie).
- (ii) The Articles of Association of the Company which are available for inspection at the registered office of the Company at 1<sup>st</sup> Floor, Harcourt Centre, Harcourt Street, Dublin 2, Ireland and at the Companies Registration Office in Ireland;
- (iii) The Central Bank of Ireland in their UCITS Notices and Guidance Notes which can be obtained from the Central Bank of Ireland's website at [www.centralbank.ie](http://www.centralbank.ie) are available for inspection at the registered office of the Company; and,
- (iv) The Irish Stock Exchange ("ISE") through the ISE Code of Listing Requirements and Procedures which can be obtained from the ISE's website at [www.ise.ie](http://www.ise.ie).

From 21 May 2013 James Cayzer-Colvin is the only independent director of the board. In addition the board had no independent director between 10 April 2013, when Sanjeev Aga resigned as a director of the board, and 21 May 2013 when James Cayzer-Colvin ceased to be associated with the Investment Manager. The board expects a second director of the board to become independent in the near future when it will comply with the requirement to have two independent directors on the board.

The Board of Directors is responsible for establishing and maintaining adequate internal control and risk management systems of the Company in relation to the financial reporting process. Such systems are designed to manage rather than eliminate the risk of error or fraud in achieving the Company's financial reporting objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

The measure taken by the Directors to secure compliance with the Company's obligation to keep proper books of account are the use of appropriate systems and procedures and employment of competent persons. Effective from 27 September 2013 the Directors have appointed Apex Fund Services (Ireland) Limited to maintain proper books of account. The books of account are kept at the offices of the Administrator at:

Apex Fund Services (Ireland) Limited  
1st Floor, Block 2  
Harcourt Centre  
Harcourt Street  
Dublin 2  
Ireland

The annual financial statements of the Company are required to be approved by the Board of Directors of the company and the annual and half yearly financial statements of the Company are required to be filed with the Central Bank of Ireland and the ISE. The statutory financial statements are required to be audited by independent auditors who report annually to the Board of Directors on their findings.

The Directors may convene an extraordinary general meeting of the Company at any time. The Director shall convene an annual general meeting each calendar year and not more than 15 months shall elapse between the date of the first annual general meeting of the Company and that of the next. As long as the Company holds its first annual general meeting within eighteen months of its incorporation it need not hold it in the year of its incorporation or in the following year.

Not less than twenty one days notice of every annual general meeting and any meeting convened for the passing of a special resolution must be given to shareholders and fourteen days' notice must be given in the case of any other general meeting.

Two members present either in person or by proxy shall be a quorum for a general meeting provided that the quorum for a general meeting convened to consider any alteration to the Class rights of Shares shall be two Shareholders holding or representing by proxy at least one third of the issued Shares of the relevant Fund or Class.

All general meetings will be held in Ireland.

On a poll every Shareholder present in person or by proxy shall be entitled to one vote in respect of each Share held by him and every holder of non-participating shares shall be entitled to one vote in respect of all non-participating shares held by him. A shareholder entitled to more than one vote need not cast all his votes or cast all the votes he uses in the same way.

**Ocean Dial Investment Funds Plc**

**Report of the Directors and Statements of Directors' Responsibilities of Ocean Dial Investment Funds Plc (continued)**

**For the year ended 31 March 2014**

**Corporate Governance (continued)**

The business of the Company is managed by the Directors, who exercise all such powers of the Company as are noted by the Companies Acts or by the Articles of Association of the Company required to be exercised by the Company in general meeting.

**Subsequent Events**

On 29 May, a new Class D US\$ share was launched. 224,616.6197 Participating Shares had been purchased for a consideration of US\$22,570,653.61 as at the date of this report.

There have no other subsequent events since the period end, which, in the opinion of the Directors of the Company, may have had an impact on the financial statements for the year ended 31 March 2014.

**Independent Auditors**

In accordance with section 160 (2) of the Companies Act, 1963, Deloitte & Touche, Chartered Accountants and Statutory Audit Firm, have signified their willingness to continue in office.

**On Behalf of the Board Directors**

  
James Cayzer-Colvin

  
Robin Sellers

**17 July 2014**

## **Report of the Custodian to the Shareholders**

We, Northern Trust Fiduciary Services (Ireland) Limited have enquired into the conduct of Ocean Dial Investment Funds plc ('the Company') for the period 1<sup>st</sup> April 2013 to 27<sup>th</sup> September 2013, in our capacity as Custodian to the Company.

This report including the opinion has been prepared for and solely for the shareholders in the Company as a body, in accordance with the Central Bank of Ireland's UCITS Notice 4, and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown.

### **Responsibilities of the Custodian**

Our duties and responsibilities are outlined in the Central Bank of Ireland's UCITS Notice 4. One of those duties is to enquire into the conduct of the Company in each annual accounting period and report thereon to the shareholders.

Our report shall state whether, in our opinion, the Company has been managed in that period in accordance with the provisions of the Company's Memorandum and Articles of Association and the UCITS Regulations. It is the overall responsibility of the Company to comply with these provisions. If the Company has not so complied, we as Custodian must state why this is the case and outline the steps which we have taken to rectify the situation.

### **Basis of Custodian Opinion**

The Custodian conducts such reviews as it, in its reasonable opinion, considers necessary in order to comply with its duties as outlined in UCITS Notice 4 and to ensure that, in all material respects, the Company has been managed (i) in accordance with the limitations imposed on its investment and borrowing powers by the provisions of its constitutional documentation and the appropriate regulations and (ii) otherwise in accordance with the Company's constitutional documentation and the appropriate regulations.

### **Opinion**

In our opinion, the Company has been managed during the year, in all material respects:

(i) in accordance with the limitations imposed on the investment and borrowing powers of the Company by the Memorandum & Articles of Association and by the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 ('the Regulations'); and

(ii) otherwise in accordance with the provisions of the Memorandum & Articles of Association and the Regulations.

15<sup>th</sup> July 2014



Northern Trust Fiduciary Services (Ireland) Limited



**Ocean Dial Investment Funds Plc**  
**for the period from 27 September 2013, to 31 March 2014**

**Custodian's Report to the Shareholders of Ocean Dial Gateway to India Fund**

We have enquired into the conduct of the Company for the period ended to 31 March 2014 in our capacity as Custodian of the Company.

In our opinion the Company has been managed, in all material respects, during that period in accordance with the provisions of the Memorandum & Articles of Association and the Regulations including specifically the provisions relating to the limitations imposed on the investment and borrowing powers of the Company.

This report including the opinion has been prepared for and solely for the shareholders in the Company as a body, in accordance with the Financial Regulator's UCITS Notice 4.1 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown.

**Statement of the Custodian's Responsibilities**

The Custodian is required to:

- take responsibility for safe-keeping the assets of the Company in accordance with the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 ('the Regulations')
- ensure that the Company has been managed, in all material respects, in that period, in accordance with its constitutional documentation and the appropriate Regulations
- prepare a report for inclusion in the annual report on the conduct of the Company in accordance with its constitutional documentation and the appropriate Regulations.
- If the Company has not complied, in all material respects, with its constitutional documentation or the appropriate regulations, the Custodian must state why this is the case & outline the steps which it has taken to rectify the situation.

**Basis of Custodian Opinion**

The Custodian conducts its reviews on a test basis to ensure that it adheres to the duties outlined in UCITS Notice 4.1 and to ensure that the Company is managed, in all material respects, in accordance with its constitutional documentation and the appropriate regulations.

On behalf of the Custodian

Société Générale S.A. Dublin Branch

## INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF OCEAN DIAL INVESTMENT FUNDS PLC

We have audited the consolidated financial statements of Ocean Dial Investment Funds plc (the "Company") for the year ended 31 March 2014 which comprise of the Consolidated Statement of Comprehensive Income, Consolidated Statement of Financial Position, Consolidated Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares, Consolidated Statement of Cash Flows, Company Statement of Financial Position, Company Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares, Company Statement of Cash Flows and notes to the financial statements. The financial reporting framework that has been applied in their preparation is Irish law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

This report is made solely to the Company's shareholders, as a body, in accordance with Section 193 of the Companies Act, 1990. Our audit work has been undertaken so that we might state to the Company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditors**

As explained more fully in the Statement of Directors' Responsibilities, the Directors are responsible for the preparation of the financial statements giving a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with Irish law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report and audited consolidated financial statements for the year ended 31 March 2014 to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

*Continued on next page/*

## INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF OCEAN DIAL INVESTMENT FUNDS PLC

### **Opinion**

In our opinion the Financial Statements:

- give a true and fair view, in accordance with IFRSs as adopted by the European Union, of the state of the affairs of the Company as at 31 March 2014 and of the profit for the year then ended; and
- have been properly prepared in accordance with the Companies Acts, 1963 to 2013, and Article 4 of the IAS Regulation and the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011.

### **Matters on which we are required to report by the Companies Acts 1963 to 2013**

- We have obtained all the information and explanations we considered necessary for the purpose of our audit.
- In our opinion proper books of account have been kept by the Company.
- The Company's Consolidated Statement of Financial Position and its Consolidated Statement of Comprehensive Income are in agreement with the books of account.
- In our opinion the information given in the Directors' Report is consistent with the financial statements.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the provisions in the Companies Acts 1963 to 2013 which requires us to report to you if, in our opinion the disclosures of directors' remuneration and transactions specified by law are not made.



Mike Hartwell  
For and on behalf of Deloitte & Touche  
Chartered Accountants and Statutory Audit Firm  
Dublin

Date: 17 July 2014

**Ocean Dial Investment Funds Plc**

**Consolidated Statement of Comprehensive Income**

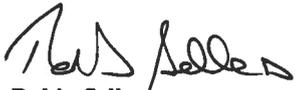
**For the year ended 31 March 2014**

	Note	Year ended 31 March 2014 US\$	Period ended 31 March 2013 US\$
<b>Income</b>			
Interest income	2	66	-
Dividend income	2	381,358	61,868
Net realised (losses)/gains on financial assets and liabilities at fair value through profit or loss	7	(958,112)	328,513
Net change in unrealised gains on financial assets and liabilities at fair value through profit or loss	7	5,174,942	743,911
<b>Total income</b>		<u>4,598,254</u>	<u>1,134,292</u>
<b>Expenses</b>			
Bank interest expense	2	-	(3,132)
Audit fees		(24,298)	(22,703)
Legal fees		(3,520)	(9,851)
Directors' fees		(48,915)	(71,792)
Management fees	9	(314,513)	(105,237)
Administration fees	9	(55,737)	(68,213)
Custodian fees	9	(41,466)	(6,543)
Other expenses		(274,997)	(75,781)
Transaction costs		(79,559)	(22,612)
<b>Total operating expenses</b>		<u>(843,005)</u>	<u>(385,864)</u>
<b>Net income</b>		<u>3,755,249</u>	<u>748,428</u>
<b>Increase in net assets attributable to holders of redeemable participating shares</b>		<u>3,755,249</u>	<u>748,428</u>

The financial statements were approved by the board of Directors of Ocean Dial Investment Funds plc on 17 July 2014.

**On Behalf of the Board of Directors**

  
**James Cayzer-Colvin**

  
**Robin Sellers**

The accompanying notes form an integral part of the financial statements.

**Ocean Dial Investment Funds Plc**

**Consolidated Statement of Financial Position**

**As at 31 March 2014**

	Note	Year ended 31 March 2014 US\$	Period ended 31 March 2013 US\$
<b>Assets</b>			
Financial assets at fair value through profit or loss	13	25,736,900	11,488,362
Cash and cash equivalents	5	766,141	473,746
Securities sold receivable		-	288,117
Other receivables		55,437	28,669
<b>Total assets</b>		<u>26,558,478</u>	<u>12,278,894</u>
<b>Liabilities</b>			
Securities purchased payable		-	(83,647)
Accrued expenses	4	(110,170)	(235,946)
<b>Total liabilities</b>		<u>(110,170)</u>	<u>(319,593)</u>
<b>Net assets attributable to holders of redeemable participating shares</b>		<u>26,448,308</u>	<u>11,959,301</u>
Number of shares in issue			
Class A (US\$)	6	211,856	111,748
Class C (GBP)		143	243
Net asset value per share			
Class A (US\$)	8, 14	US\$124.73	US\$106.68
Class C (GBP)		£96.90	£102.60

The financial statements were approved by the board of Directors of Ocean Dial Investment Funds plc on 17 July 2014.

The accompanying notes form an integral part of the financial statements.

Ocean Dial Investment Funds Plc

Consolidated Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares

For the year ended 31 March 2014

	Year ended 31 March 2014 US\$	Period ended 31 March 2013 US\$
Net assets attributable to holders of redeemable participating shares at the beginning of the year/period	11,959,301	-
Proceeds from redeemable participating shares issued	18,349,099	11,242,165
Payments on redeemable participating shares redeemed	<u>(7,615,341)</u>	<u>(31,292)</u>
<b>Increase from share transactions</b>	<u>10,733,758</u>	<u>11,210,873</u>
Increase in net assets attributable to holders of redeemable participating shares from operations	<u>3,755,249</u>	<u>748,428</u>
<b>Net assets attributable to holders of redeemable participating shares at the end of the year/period</b>	<u>26,448,308</u>	<u>11,959,301</u>

The accompanying notes form an integral part of the financial statements.

**Ocean Dial Investment Funds Plc**

**Consolidated Statement of Cash Flows**

**For the year ended 31 March 2014**

	<b>Year ended 31 March 2014 US\$</b>	<b>Period ended 31 March 2013 US\$</b>
<b>Cash flows from operating activities</b>		
Proceeds from sale of investments	11,211,672	3,804,187
Purchase of investments	(21,038,910)	(14,424,595)
Operating expenses paid	(614,125)	(113,587)
<b>Net cash used in operating activities</b>	<u>(10,441,363)</u>	<u>(10,733,995)</u>
<b>Cash flows from financial activities</b>		
Proceeds from redeemable participating shares issues	18,349,099	11,242,165
Redemption of redeemable participating shares	(7,615,341)	(31,292)
Interest expense paid	-	(3,132)
<b>Net cash from financing activities</b>	<u>10,733,758</u>	<u>11,207,741</u>
<b>Net increase in cash and cash equivalents</b>	<u>292,395</u>	<u>473,746</u>
Cash and cash equivalents at beginning of the period	<u>473,746</u>	<u>-</u>
<b>Cash and cash equivalents at end of the year/period</b>	<u>766,141</u>	<u>473,746</u>

The accompanying notes form an integral part of the financial statements.

## **Ocean Dial Investment Funds Plc**

### **Notes to the financial statements**

#### **For the year ended 31 March 2014**

##### **1. General Information**

The consolidated financial statements consist of Ocean Dial Gateway to India Fund and Ocean Dial Gateway to India (Mauritius) Limited, together (the “Group”).

##### **2. Significant Accounting Policies**

###### **a) Basis of preparation**

These financial statements have been prepared under accounting policies consistent with International Financial Reporting Standards as adopted by the E.U. (“IFRS”). These financial statements are prepared in US Dollars (“US\$”), which is the Company’s functional and presentation currency. The Board of Directors considers the US Dollar the currency that most faithfully represents the economic effect of the underlying transactions, events and conditions. The US dollar is the currency in which the Fund measures its performance and reports its results, as well as being the currency in which it receives a significant portion of subscriptions from its investors. In accordance with section 148(8) of the Companies Act, 1963 and section 7(1A) of the Companies (Amendment) Act, 1986, the Company is availing of the exemption from presenting its individual Income Statement to the Annual General Meeting and from filing it with the Registrar of Companies.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Consolidated Statement of Comprehensive Income.

###### **Critical accounting estimates and assumptions**

The preparation of financial statements in conformity with IFRS as adopted by the European Union requires the use of certain critical accounting estimates. It also requires the Board of Directors to exercise its judgement in the process of applying the Company's accounting policies.

Management makes estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. The resulting accounting estimates may not equal the related actual results.

###### **New accounting standards not yet adopted**

IFRS 9, ‘Financial instruments’, effective for annual periods beginning on or after 1 January 2018, specifies how an entity should classify and measure financial assets and liabilities, including some hybrid contracts. The standard improves and simplifies the approach for classification and measurement of financial assets compared with the requirements of IAS 39.

Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged. The standard applies a consistent approach to classifying financial assets and replaces the numerous categories of financial assets in IAS 39, each of which had its own classification criteria.-The standard is not expected to have a significant impact on the Company's financial position or performance, as the Company has classified its financial assets and financial liabilities (both long and short) as being at fair value through profit or loss.

There are no other standards, interpretations or amendments to existing standards that are not yet effective that would be expected to have a significant impact on the Company. IFRS 9 has not yet been endorsed by the E.U. and hence there is no option for the Company to early adopt.

Notes to the financial statements (continued)

For the year ended 31 March 2014

2. Significant Accounting Policies (continued)

b) Income / expense

Interest income and expense are recognised in the Consolidated Statement of Comprehensive Income using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts throughout the expected life of the financial instrument, or a shorter period where appropriate, to the net carrying amount of the financial asset or financial liability. Dividends are credited to the Consolidated Statement of Comprehensive Income on the dates on which the relevant securities are listed as "ex-dividend". Dividend income is shown gross of any non-recoverable withholding taxes, which are disclosed separately in the Consolidated Statement of Comprehensive Income and net of any tax credits.

c) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and short term, highly liquid investments with a maturity of 3 months or less that are readily convertible to known amounts of cash and which are subject to insignificant changes in value.

d) Financial assets at fair value through profit or loss

(i) Classification

The Fund has classified its investment securities at fair value through profit or loss. All investments are initially recognised at fair value. Gains and losses arising from changes in the fair value of the financial assets at fair value through profit or loss are included in the Consolidated Statement of Comprehensive Income.

(ii) Recognition/derecognition

Purchases and sales of investments are recognised on the trade date - the date on which the Fund commits to purchase or sell the investment. Investments are derecognised when the rights to receive cash flows from the investments have expired or the Fund has transferred substantially all risks and rewards of ownership.

(iii) Measurement

Financial assets and financial liabilities at fair value through profit or loss are initially recognised at fair value. Transaction costs are expensed in the Consolidated Statement of Comprehensive Income. Subsequent to initial recognition, all financial assets and financial liabilities at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value of the financial assets or financial liabilities at fair value through profit or loss category are presented in the Consolidated Statement of Comprehensive Income in the period in which they arise.

(iv) Fair value estimation

Investments are initially recognised at fair value, and transaction costs for all financial assets and financial liabilities carried at fair value through profit or loss are expensed as incurred. Investments are derecognised when the rights to receive cash flows from the investments have expired or the Fund has transferred substantially all risks and rewards of ownership.

The fair value of financial instruments traded in active markets (such as trading equities) is based on quoted market prices at the balance sheet date. The quoted market price used for financial reporting purposes for financial assets held by the Fund is the current mid price.

e) Distribution policy

Dividends shall be paid out of the net income received by the Company in respect of the relevant Class (ie. income less accrued expenses) (whether in the form of dividends, interest or otherwise) during the Accounting Period, subject to certain adjustments.

Notes to the financial statements (continued)

For the year ended 31 March 2014

2. Significant Accounting Policies (continued)

f) Redeemable participating shares

Redeemable participating shares are redeemable at the Shareholder's option and are classified as financial liabilities in accordance with IAS 32. The liability to redeemable participating shareholders is presented in the Consolidated Statement of Financial Position as "Net Assets Attributable to Holders of Redeemable Participating Shares" and has been determined based on total assets less total liabilities (excluding net assets attributable to holders of redeemable participating shares).

g) Segregated liability

The Company is an umbrella fund with segregated liability between Funds. At 31 March 2014 the only Fund of the Company is the Ocean Dial Gateway to India Fund.

h) Transaction costs

Transaction costs are costs incurred to acquire financial assets or liabilities at fair value through profit or loss. They include fees and commissions paid to agents, advisers, brokers or dealers. Transaction costs, when incurred, are included as part of the cost of such purchases. See note 9 "Fees" for further information on transaction costs.

i) Consolidation

Ocean Dial Gateway to India Fund holds 100% of the share capital of Ocean Dial Gateway to India (Mauritius) Limited. IFRS as adopted by the European Union typically defines as a controlling interest, an interest directly or indirectly in over 50% of the outstanding voting shares of another entity. The results of the subsidiary undertaking, Ocean Dial Gateway to India (Mauritius) Limited, are consolidated into the Statement of Comprehensive Income from the date on which control over the operating and financial decision is obtained. Accordingly, the Financial Statements are consolidated for Ocean Dial Gateway to India (Mauritius) Limited for the year ended 31 March 2014.

3. Financial Derivative Instruments

The Group did not hold or trade in any financial derivative instruments for the year ended 31 March 2014.

4. Accrued Expenses

	<b>Group Year ended 31 March 2014 US\$</b>	<b>Group Period ended 31 March 2013 US\$</b>	<b>Company Year ended 31 March 2014 US\$</b>	<b>Company Period ended 31 March 2013 US\$</b>
Audit fees	23,773	22,703	15,147	14,125
Investment managers fees	32,242	28,354	(48)	14,096
Directors' fee and expenses	20,453	94,993	20,453	82,217
Administration fees	2,906	32,712	1,790	32,712
Custodian fees	4,954	6,543	4,954	6,543
General expenses	25,842	50,641	18,263	48,028
Total accrued expenses	<u>110,170</u>	<u>235,946</u>	<u>60,559</u>	<u>197,721</u>

## Ocean Dial Investment Funds Plc

### Notes to the financial statements (continued)

#### For the year ended 31 March 2014

##### 5. Cash

The Company has appointed Societe Generale S.A. (Dublin Branch), as its Custodian for all the assets of the Company. At 31 March 2014, Ocean Dial Gateway to India Fund had cash of \$766,141 (31 March 2013: \$473,746).

##### 6. Redeemable Participating Shares and Share Capital

The authorised share capital of the Company is 300,000 redeemable non-participating shares of no par value and 500,000,000,000 participating Shares of no par value. Non-participating shares do not entitle the holders thereof to any dividend and on a winding up entitle the holders thereof to receive the consideration paid therefore but do not otherwise entitle them to participate in the assets of the Company. The Directors have the power to allot shares in the capital of the Company on such terms and in such manner as they may think fit.

Every Shareholder or holder of non-participating shares present in person or by proxy who votes on a show of hands shall be entitled to one vote. On a poll every Shareholder present in person or by proxy shall be entitled to one vote in respect of each Share held by him and every holder of non-participating shares shall be entitled to one vote in respect of all non-participating shares held by him. A Shareholder entitled to more than one vote need not cast all his votes or cast all the votes he uses in the same way.

Share Class A (US\$) launched on 10 September 2012.

Share Class C (GBP) launched on 5 November 2012.

Movements in participating shares during the year end 31 March 2014 were as follows:

	<b>Class A (US\$)</b> <b>No. of shares</b>	<b>Class C (GBP)</b> <b>No. of shares</b>
Shares at beginning of year	111,748	243
Shares issued during the year	157,016	4,725
Shares redeemed during the year	(56,908)	(4,825)
Shares at end of year	<u>211,856</u>	<u>143</u>

Movements in participating shares during the period end 31 March 2013 were as follows:

	<b>Class A (US\$)</b> <b>No. of shares</b>	<b>Class C (GBP)</b> <b>No. of shares</b>
Shares at beginning of period	-	-
Shares issued during the period	112,028	243
Shares redeemed during the period	(280)	-
Shares at end of period	<u>111,748</u>	<u>243</u>

Ocean Dial Investment Funds Plc

Notes to the financial statements (continued)

For the year ended 31 March 2014

7. Net Gains/(Losses) on financial assets and financial liabilities at fair value through profit or loss

	Year ended 31 March 2014 US\$	Period ended 31 March 2013 US\$
<b>Realised (losses)/gains on financial assets and financial liabilities during the year/period</b>		
Realised (losses)/gains on sale of investments	(940,043)	335,305
Realised (losses) on currency spot contracts	(18,069)	(6,792)
	<u>(958,112)</u>	<u>328,513</u>
<b>Unrealised gains arising from changes in fair value during the year/period</b>		
Unrealised gains on sale of investments	5,512,370	742,921
Unrealised (losses)/gains on currency spot contracts	(337,428)	990
	<u>5,174,942</u>	<u>743,911</u>

8. Net Asset Value

	31 March 2014 Class A (US\$)	31 March 2014 Class C (GBP)	31 March 2013 Class A (US\$)	31 March 2013 Class C (GBP)
Net Asset Value	US\$26,425,220	£13,845	US\$11,921,444	£24,931
NAV per share	US\$124.73	£96.90	US\$106.68	£102.60

Notes to the financial statements (continued)

For the year ended 31 March 2014

9. Fees

**Investment Management Fee**

With respect to Share Class A (US\$), Share Class C (GBP) and Share Class B (EUR), the Investment Manager shall be entitled to a maximum annual investment management fee and distribution fee equal to 1.50% of the Net Asset Value of the relevant Class as of the last business Day of each calendar month. Such fee shall be calculated and accrued at each Valuation Point and payable monthly in arrears.

Subsequent to the year end, a new Share Class D (US\$) was launched for which the Investment Manager receives or pays the balance between the total operating costs of Share Class D and the fixed Ongoing Charge Rate of 1.15%.

The Investment Manager shall also be entitled to be repaid out of the assets of the relevant Fund all of its reasonable out-of-pocket expenses incurred on behalf of the relevant Fund.

**Administration Fee**

Northern Trust International Fund Administration Services (Ireland) Limited was the administrator (the "Administrator") of the Company up to 27 September 2013. The Company paid Northern Trust International Fund Administration Services (Ireland) Limited out of the assets of the Fund an annual fee, accrued at each Valuation Point and payable monthly in arrears at a rate which will not exceed 0.10% per annum of the Net Asset Value of the Fund, subject to a minimum annual fee of \$60,000 (plus VAT, if any, thereon).

Apex Fund Services (Ireland) Limited is the administrator of the Company from 27 September 2013. The Company shall pay to Apex Fund Services (Ireland) Limited (the "Administrator") out of the assets of the Fund an annual fee, accrued at each Valuation Point and payable monthly in arrears at a minimum fee of \$17,500 per annum for the fund or a flat fee of 5 basis points of the Net Asset Value of the Fund, whichever is greater.

The Administrator shall also be entitled to fees for the preparation of financial statements and provision of company secretary and money laundering reporting officer services and transaction fees in respect of transfer agency services.

The Administrator shall also be entitled to be repaid out of the assets of the Company all of its reasonable out-of-pocket expenses incurred on behalf of the Company. Each Fund will bear its proportion of the expenses of the Administrator.

Amounts paid to the Administrator and due to the Administrator at year end, are disclosed on the face of the Consolidated Statement of Comprehensive Income and included within note 4, respectively.

**Custodian Fee**

Northern Trust Fiduciary Services (Ireland) Limited was the Custodian of the Company up to 27 September 2013. Northern Trust Fiduciary Services (Ireland) Limited was entitled to receive out of the assets of the Fund annual fee accrued at each Valuation Point and payable monthly in arrears at a rate which shall not exceed 0.03% per annum of the Net Asset Value of the Fund subject to a minimum fee of €12,000 (plus VAT, if any, thereon) in respect of the Fund.

Société Générale S.A. (Dublin Branch) is the Custodian of the Company from 27 September 2013. Société Générale S.A. shall be entitled to receive out of the assets of the Fund annual fee accrued at each Valuation Point and payable monthly in arrears at a rate of 5 basis points per annum of the Gross Asset Value of the Fund.

The Custodian shall also be entitled to be repaid all of its reasonable disbursements and out of pocket expenses out of the assets of the relevant Fund, including the fees, transaction charges and expenses of any sub-custodian appointed by it which shall be at normal commercial rates together with VAT, if any, thereon. Each Fund will bear its proportion of the fees and expenses of the Custodian.

Amounts paid to the Custodian and due to the Custodian at year end, are disclosed on the face of the Consolidated Statement of Comprehensive Income and included within note 4, respectively.

**Transaction costs**

The Fund incurred transaction costs of \$79,559 for the year ended 31 March 2014 (31 March 2013: \$22,612).

## Ocean Dial Investment Funds Plc

### Notes to the financial statements (continued)

#### For the year ended 31 March 2014

#### 10. Related Party Transactions

International Accounting Standards (IAS) 24 "Related Party Disclosures" requires the disclosure of information relating to material transactions with parties who are deemed to be related to the reporting entity.

All transactions with connected parties have been carried out at arm's length and in a way that is consistent with the best interests of shareholders.

##### Investment Manager

Related parties include the Investment Manager, Ocean Dial Asset Management Limited and until 21 May 2013, its holding company Caledonia Investments PLC. Amounts earned by the Investment Manager and due to the Investment Manager at year end, are disclosed on the face of the Consolidated Statement of Comprehensive Income and included within note 4, respectively.

##### Directors

Mr. John Bohan is Director of Apex Fund Services (Ireland) Limited, the administrator and Secretary to Ocean Dial Investment Funds Plc.

Mr. James Cayzer-Colvin is an executive Director of Caledonia Investments PLC, which was the ultimate holding company of the Investment Manager until 21 May 2013, when it was acquired by Ocean Dial Investment Company Singapore Private Limited, a company owned by the management of the Investment Manager. Caledonia Investments PLC also holds 105,174 Class A Shares (49.64%) in the Company's sub fund, Ocean Dial Gateway to India. James Cayzer-Colvin was also Chairman of the Investment Manager until 21 May 2013 when he resigned following the change in ownership of the Investment Manager.

Mr. Maheshwar Doorgakant is the Deputy Managing Director of Apex Fund Services (Mauritius) Ltd., the administrator to the subsidiary of the sub-fund of Ocean Dial Investment Funds Plc.

Mr. David Hammond is a Director of Bridge Consulting Limited which provides the Company with consulting services in relation to its obligations under the UCITS regulations.

Mr. Robin Sellers is Chief Executive Officer of Ocean Dial Asset Management Limited, the Investment Manager, Distributor and Promoter of the Ocean Dial Investment Funds Plc.

Mr. Jonathan Quigley was a Director until 12 September 2013 and employee of the prior Administrator, Northern Trust International Fund Administration Services (Ireland) Limited.

Ms. Rubina Toorawa is the COO at IFS, which provided administration services to the Mauritian subsidiary prior to the current Administrator.

The fees paid to Bridge Consulting for the year ended 31 March 2014 were \$25,458 (31 March 2013: \$13,384). The fees of the administrator and custodian are detailed in note 9 to the financial statements. The Fund incurred legal and listing fees of \$ 2,030 for the year ended 31 March 2014.

#### 11. Taxation

Under current law and practice the Company qualifies as an investment undertaking as defined in Section 739B of the Taxes Consolidation Act, 1997, as amended. On that basis, it is not chargeable to Irish tax on its income or gains.

However, Irish tax may arise on the happening of a "chargeable event". A chargeable event includes any distribution payments to shareholders, any encashment, redemption, cancellation or transfer of shares and the holding of shares at the end of each eight year period beginning with the acquisition of such shares.

No Irish tax will arise on the Company in respect of chargeable events in respect of:

(a) a shareholder who is neither Irish resident nor ordinarily resident in Ireland for tax purposes, at the time of the chargeable event, provided appropriate valid declarations in accordance with the provisions of the Taxes Consolidation Act, 1997, as amended, are held by the Company or the Company has been authorised by the Irish Revenue to make gross payments in the absence of appropriate declarations; and

(b) certain exempted Irish tax resident shareholders who have provided the Company with the necessary signed statutory declarations.

Dividends, interest and capital gains (if any) received on investments made by the Company may be subject to taxes imposed by the country from which the investment income/gains are received and such taxes may not be recoverable by the Company or its shareholders.

Notes to the financial statements (continued)

For the year ended 31 March 2014

12. Efficient Portfolio Management Techniques

The Fund does not engage in efficient portfolio management techniques.

13. Financial Instruments

The Group is exposed to a variety of financial risks in pursuing its stated investment objective and policy. These risks are discussed in the Company's Prospectus, but are defined for financial reporting purposes in IFRS 7 as including market risk (which in turn includes currency risk, interest rate risk and market price risk), credit risk and liquidity risk. There can be no assurance that the Fund will achieve its investment objective.

At the year end the Group's financial instruments consisted mainly of equities held through its investment in Ocean Dial Gateway to India (Mauritius) Limited.

Market Risk

a) Currency risk

Currency risk is defined in IFRS 7 as the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Fund is exposed to currency risks as assets and liabilities of the Fund may be denominated in a currency other than the functional currency of the Fund, which is the base currency, the US dollar. The fluctuations in the rate of exchange between the currency in which the asset or liability is denominated and the functional currency could result in an appreciation or depreciation in the fair value of that asset.

Through its subsidiary the Ocean Dial Gateway to India (Mauritius) Limited, the Company invests in shares denominated in Indian rupees ("INR"). Consequently, the Company is exposed to the risk that the exchange rate of the USD relative to the INR may change in a manner which has a material effect on the reported values of the Company's assets that are denominated in INR.

*Currency profile*

The currency profile of the Company's financial assets and liabilities is summarized as follows:

31 March 2014

Currencies to which fund has significant exposure	Total Monetary	Non Monetary	Net Exposure
Indian Rupees	704,303	25,736,900	26,441,203
Pound Sterling	-	(6,021)	(6,021)
Euro	-	(18,621)	(18,621)
	<u>704,303</u>	<u>25,712,258</u>	<u>26,416,561</u>

31 March 2013

Currencies to which fund has significant exposure	Total Monetary	Non Monetary	Net Exposure
Indian Rupees	466,578	11,637,791	12,104,369
	<u>466,578</u>	<u>11,637,791</u>	<u>12,104,369</u>

Notes to the financial statements (continued)

For the year ended 31 March 2014

13. Financial Instruments (continued)

Market Risk (continued)

b) Interest rate risk

Interest rate risk is defined in IFRS 7 as the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The financial assets and financial liabilities, with the exception of cash at bank balances, held by the Fund are not directly exposed to interest rate risk. The Fund is exposed to interest rate risk on the interest earned on its cash and bank balances. This exposure is not considered to be significant. Whilst the Company seeks to optimise overall performance from the assets it holds, it does not seek to maximise interest income in view of its policy to focus on investments in equity securities that neither earn nor pay interest.

The amount of cash held is reviewed on a regular basis by the Investment Manager.

c) Market price risk

Market price risk is defined in IFRS 7 as the risk that the fair value of a financial instrument or its future cash flows will fluctuate because of changes in market prices.

The Fund has adopted a number of investment restrictions which are set out in the Company's prospectus which limit the exposure of the Fund to adverse changes in the price of any individual financial asset. In accordance with the Fund's policies, the Investment Manager monitors the Fund's positions on a daily basis and reports regularly to the Board of Directors, which reviews the information on the Fund's overall market exposures provided by the Investment Manager at its periodic meetings.

The Fund's assets consist principally of equities. The values of these instruments are determined by market forces and there is accordingly a risk that market prices can change in a way that is adverse to the Fund's performance.

Market price risk can be moderated by the Investment Manager through a disciplined stock selection and investment process.

*Price risk sensitivity analysis*

The sensitivity analysis for the Fund assumes a change in the market price of the investments while holding all other variables constant. In practice this is unlikely to occur, and changes in some of the variables may be correlated. In addition, as the sensitivity analysis uses historical data as a basis for determining future events, it does not encompass all possible scenarios, particularly those that are of an extreme nature.

As detailed in the table below, if the value of the underlying investments was to decrease by 10%, which the Directors consider reasonable as an illustration of the potential movement in prices over a year, this would have a negative impact on the value of the net asset value.

	<b>Group Year ended 31 March 2014 US\$</b>	<b>Group Period ended 31 March 2013 US\$</b>	<b>Company Year ended 31 March 2014 US\$</b>	<b>Company Period ended 31 March 2013 US\$</b>
Effect of Financial assets at fair value through profit or loss	25,736,900	11,488,362	26,434,684	12,135,612
Monetary impact of a decrease of 10% on underlying investments	<u>(2,573,690)</u>	<u>(1,148,836)</u>	<u>(2,643,468)</u>	<u>(1,213,561)</u>

If the investments, at 31 March 2014, had increased by 10% with all other variables held constant, this would have increased net assets attributable to holders of redeemable shares of the Fund by approximately \$2,573,690 (31 March 2013: \$1,148,836).

**Notes to the financial statements (continued)**

**For the year ended 31 March 2014**

**13. Financial Instruments (continued)**

**Market Risk (continued)**

**Credit risk**

Credit Risk is defined as the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Fund's financial assets mainly comprise equity securities and therefore the Fund's exposure to credit risk is considered minimal.

Substantially all of the cash assets are held with Societe Generale S.A. Cash deposited with Societe Generale S.A is deposited as banker and is held on its Balance Sheet. Accordingly, in accordance with usual banking practice, Societe Generale S.A.'s liability to the Fund in respect of such cash deposits shall be that of debtor and the Fund will rank as a general creditor of Societe Generale S.A. The financial assets are held with the Custodian, Societe Generale S.A. These assets are held distinct and separately from the proprietary assets of the Custodian. Securities are clearly recorded to ensure they are held on behalf of the Fund. Bankruptcy or insolvency of the Custodian and or one of its agents or affiliates may cause the Fund's rights with respect to the securities held by the Custodian to be delayed.

As at 31 March 2014 Societe Generale S.A. had a long term rating from Standard & Poor's of A+ (31 March 2013: Northern Trust Corporation A+).

**Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulties in realising assets or otherwise raising funds to meet commitments.

The Fund's redeemable shares are redeemable at the shareholders' option at any time for cash equal to a proportionate share of the Fund's net asset value. The Fund is therefore potentially exposed to daily redemptions by its shareholders.

The Fund invests primarily in marketable securities and other financial instruments, which under normal market conditions are readily convertible to cash. In addition, the Fund's policy is to maintain sufficient cash and cash equivalents to meet normal operating requirements and expected redemption requests.

Not all securities or instruments invested in by a Fund may be listed or rated and consequently liquidity may be low. Moreover, the accumulation and disposal of holdings in some investments may be time consuming and may need to be conducted at unfavourable prices. The Funds may also encounter difficulties in disposing of assets at their fair price due to adverse market conditions leading to limited liquidity. As at 31 March 2014 and 2013, the Company held no investments that were considered illiquid.

It is the Fund's policy that the Investment Manager monitors the Fund's liquidity position on a daily basis and that the Board of Directors reviews it on a regular basis.

Notes to the financial statements (continued)

For the year ended 31 March 2014

13. Financial Instruments (continued)

Market Risk (continued)

Fair value hierarchy

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgment, considering factors specific to the asset or liability.

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The determination of what constitutes 'observable' requires significant judgment by the Fund. The Fund considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

Investments that trade in markets that are not considered to be active, but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within Level 2.

The Group's financial assets and liabilities are all classified as Level 1 at 31 March 2014 (31 March 2013: Level 1).

There were no transfers between Level 1 and Level 2 during the year 31 March 2014 (31 March 2013: None). There were no securities classified as Level 3 during the year (31 March 2013: None).

14. Net Asset Value Reconciliation

At 31 March 2014 year end an adjustment to fully amortise deferred incorporation costs in the current year consolidated statement of comprehensive income resulted in a difference between the net asset value calculated in accordance with the Company's Prospectus and the net asset value per the financial statements. At 31 March 2013 period end an adjustment to expenses due to under and over accruals resulted in a difference between the net asset value calculated in accordance with the Company's Prospectus and the net asset value per the financial statements.

A reconciliation of the net asset value for pricing purposes to the net asset value included in the financial statements is detailed below.

	<b>Group Year ended 31 March 2014 US\$</b>	<b>Group Period ended 31 March 2013 US\$</b>
Net asset value calculated in accordance with Prospectus	26,535,091	11,934,020
Adjustment of organisation expenses	(86,783)	-
Adjustment to realign expenses	-	25,281
Net assets attributable to holders of redeemable participating shares per financial statements	<u>26,448,308</u>	<u>11,959,301</u>

Notes to the financial statements (continued)

For the year ended 31 March 2014

**15. Auditor Remuneration**

The remuneration for all work carried out by the statutory audit firm in respect of the financial period is as follows:

	<b>Company Year ended 31 March 2014 EUR</b>	<b>Company Year ended 31 March 2013 EUR</b>
Statutory audit of Company accounts	12,500	11,000
Other assurance services	-	-
Tax advisory services	-	-
	<u>12,500</u>	<u>11,000</u>

The remuneration above is quoted in Euro and is exclusive of VAT.

**16. Soft Commission Arrangements**

There were no soft commission arrangements affecting the Company during the year (31 March 2013: None).

**17. Exchange Rates**

At year end the fund used the following exchange rates:

	<b>31 March 2014</b>	<b>31 March 2013</b>
Indian Rupee	60.10	54.35
Pound Sterling	0.60	0.66
Euro	0.73	NA

**18. Significant events during the year**

Please refer to the Report of the Directors and Statement of Directors' responsibilities on page 10 for significant events during the year.

**19. Subsequent events**

Please refer to the Report of the Directors and Statement of Directors' responsibilities on page 12 for subsequent events after the year end.

**20. Approval of financial statements**

The financial statements were approved by the Board on 17 July 2014.

Ocean Dial Investment Funds Plc

Consolidated Schedule of Investments (unaudited)

As at 31 March 2014

Holdings	Financial assets at fair value through profit or loss	Fair Value US\$	% of Net Assets
	<b>Equities: 97.31%</b>		
	<b>Basic Materials: 4.82%</b>		
275,000	PI Industries	1,273,652	4.82
		<b>1,273,652</b>	<b>4.82</b>
	<b>Communications: 1.10%</b>		
305,000	Navneet Educations Ltd	290,030	1.10
		<b>290,030</b>	<b>1.10</b>
	<b>Consumer, Cyclical: 17.01%</b>		
160,000	Atul Auto Ltd	971,584	3.67
100,000	Balkrishna Industries	794,179	3.00
60,000	Mahindra & Mahindra	979,071	3.70
100,000	Vardhman Textiles Ltd	587,772	2.22
75,000	VST Tillers Tractors Ltd	1,167,808	4.42
		<b>4,500,414</b>	<b>17.01</b>
	<b>Consumer, Non-cyclical: 12.89%</b>		
40,000	Divi's Laboratories	909,088	3.44
250,000	ITC	1,467,767	5.55
16,555	Kaveri Seed Company Ltd	176,211	0.67
55,000	Lupin	853,967	3.23
		<b>3,407,033</b>	<b>12.89</b>
	<b>Diversified: 2.06%</b>		
30,000	Aditya Birla Nuvo Limited	544,744	2.06
		<b>544,744</b>	<b>2.06</b>
	<b>Energy: 3.46%</b>		
165,000	Cairn India	914,229	3.46
		<b>914,229</b>	<b>3.46</b>
	<b>Financial: 21.51%</b>		
115,000	Bank of Baroda	1,379,144	5.21
75,000	ICICI Bank	1,553,728	5.87
55,000	ING Vysya Bank	581,025	2.20
200,000	LIC Housing Finance	785,860	2.96
13,523	Jammu and Kashmir Bank Ltd	346,064	1.31
95,000	Sundaram Finance	1,046,979	3.96
		<b>5,692,800</b>	<b>21.51</b>
	<b>Industrial: 15.84%</b>		
30,000	Akzo Nobel India	450,151	1.70
100,000	Cummins India	993,015	3.75
41,250	Larsen & Toubro	872,979	3.30
3,750	Shree Cement	353,846	1.34
120,000	Supreme Industries	1,003,032	3.79
45,000	Swaraj Engines Limited	517,315	1.96
		<b>4,190,338</b>	<b>15.84</b>

Ocean Dial Investment Funds Plc

Consolidated Schedule of Investments (unaudited)

As at 31 March 2014

Holdings	Financial assets at fair value through profit or loss	Fair Value US\$	% of Net Assets
	<b>Equities: 97.31%</b>		
	<b>Manufacturing: 3.63%</b>		
110,000	Torrent Pharmaceuticals	959,529	3.63
		<b>959,529</b>	<b>3.63</b>
	<b>Technology: 14.99%</b>		
45,000	eClerx Services	794,466	3.00
65,000	HCL Technologies	1,504,090	5.69
30,000	Tech Mahindra Ltd	896,184	3.39
35,000	Mindtree Consulting	769,391	2.91
		<b>3,964,131</b>	<b>14.99</b>
	<b>Total Equities</b>	<b>25,736,900</b>	<b>97.31</b>
	<b>Total Value of Investments (Cost: US\$ 19,156,344)</b>	<b>25,736,900</b>	<b>97.31</b>
	<b>Cash</b>	<b>766,141</b>	<b>2.90</b>
	<b>Other Net Liabilities</b>	<b>(54,733)</b>	<b>(0.21)</b>
	<b>Net Assets Attributable to Holders of Redeemable Participating Shares</b>	<b>26,448,308</b>	<b>100.00</b>
	<b>Analysis of Portfolio</b>		<b>31-Mar-14 % of Total Asset</b>
	Transferable securities		97.31
	Other assets		2.69
			<b>100.00</b>

## Ocean Dial Investment Funds Plc

### Schedule of Material Portfolio Changes for the period ended 31 March 2014

<b>Purchases</b>	<b>Cost USD 000</b>	<b>Sales</b>	<b>Proceeds USD 000</b>
Bank of Baroda	1,128	The Ramco Cements Ltd.	660
Torrent Pharmaceuticals Limited	971	Persistent Systems Limited	565
Tech Mahindra Ltd	871	Oil India Limited	535
Sundaram Finance Ltd	851	Colgate-Palmolive India Ltd	533
Supreme Industries Ltd	719	Mastek Ltd	531
Atul Auto Ltd	678	Bharti Airtel Limited	521
ITC Ltd	641	HDFC Bank Ltd	512
VST Tillers Tractors Ltd	597	Tata Motors Limited	490
Aditya Birla Nuvo Limited	589	Pidilite Industries Ltd	469
ICICI Bank Ltd	589	Godfrey Phillips India Ltd	451
Vardhman Textiles Ltd	567	Infosys Technologies Ltd	427
Akzo Nobel India Ltd	558	Axis Bank Limited	413
The Ramco Cements Ltd.	558	Hindustan Zinc Limited	389
Cairn India Ltd	554	DLF Ltd	367
Mindtree Consulting Limited	550	Zee Entertainment Enterprises Limited	367
Tata Motors Limited	532	VST Industries Ltd	337
Pidilite Industries Ltd	520	Torrent Pharmaceuticals Limited	317
Mastek Ltd	517	Bajaj Electricals Ltd	278
Cummins India Ltd	510	Balkrishna Industries Limited	277
Colgate-Palmolive India Ltd	506	Mundra Port Special Economic Zone Limited	273
Hindustan Zinc Limited	459	Adani Ports and Special Economic Zone	270
Swaraj Engines Limited	438	Voltas Ltd	262
HDFC Bank Ltd	427	Nestle India Limited	257
Godfrey Phillips India Ltd	420	Hero Motocorp Limited	239
Balkrishna Industries Limited	416	State Bank of India	238
Mahindra & Mahindra Limited	411	Tata Power Co Ltd	232
Divis Laboratories Ltd	362	Petronet LNG Limited	216
Larsen & Toubro Limited	350	Carborundum Universal Ltd	146
Infosys Technologies Ltd	346	Bajaj Auto Limited	133
VST Industries Ltd	344	Syndicate Bank	133
Jammu and Kashmir Bank Ltd	336	Dr. Reddy's Laboratories Ltd	123
LIC Housing Finance Limited	326		
Persistent Systems Limited	313		
Lupin Ltd	281		
Mundra Port Special Economic Zone Limited	274		
Adani Ports and Special Economic Zone	273		
Navneet Educations Ltd	259		
ING Vysya Bank Ltd	251		
P I INDUSTRIES LTD	245		
HCL Technologies Ltd	227		
Shree Cement Ltd	166		
Axis Bank Limited	162		
Oil India Limited	161		
Carborundum Universal Ltd	144		
Bajaj Electricals Ltd	129		
Syndicate Bank	125		
Eclerx Services Limited	122		
Kaveri Seed Company Ltd	110		

## Ocean Dial Gateway to India Fund

### Company Statement of Financial Position

As at 31 March 2014

	Note	Year ended 31 March 2014 US\$	Period ended 31 March 2013 US\$
<b>Assets</b>			
Financial assets at fair value through profit or loss	13	26,434,684	12,135,612
Cash and cash equivalents	5	22,257	7,168
Securities sold receivable		-	-
Other receivables		51,926	14,242
<b>Total assets</b>		<u>26,508,867</u>	<u>12,157,022</u>
<b>Liabilities</b>			
Securities purchased payable		-	-
Accrued expenses	4	(60,559)	(197,721)
<b>Total liabilities</b>		<u>(60,559)</u>	<u>(197,721)</u>
<b>Net assets attributable to holders of redeemable participating shares</b>		<u>26,448,308</u>	<u>11,959,301</u>

**Ocean Dial Gateway to India Fund**

**Company Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares**

**For the year ended 31 March 2014**

	<b>Year ended 31 March 2014 US\$</b>	<b>Period ended 31 March 2013 US\$</b>
Net assets attributable to holders of redeemable participating shares at the beginning of the year/period	11,959,301	-
Proceeds from redeemable participating shares issued	18,349,099	11,242,165
Payments on redeemable participating shares redeemed	<u>(7,615,341)</u>	<u>(31,292)</u>
<b>Increase from share transactions</b>	<u>10,733,758</u>	<u>11,210,873</u>
Increase in net assets attributable to holders of redeemable participating shares from operations	<u>3,755,249</u>	<u>748,428</u>
<b>Net assets attributable to holders of redeemable participating shares at the end of the year/period</b>	<u>26,448,308</u>	<u>11,959,301</u>

**Ocean Dial Gateway to India Fund**

**Company Statement of Cash Flows**

**For the year ended 31 March 2014**

	<b>Year ended 31 March 2014 US\$</b>	<b>Period ended 31 March 2013 US\$</b>
<b>Cash flows from operating activities</b>		
Proceeds from sale of investments	2,094,704	-
Purchase of investments	(12,300,000)	(11,203,400)
Operating expenses paid	(513,373)	(305)
<b>Net cash used in operating activities</b>	<b>(10,718,669)</b>	<b>(11,203,705)</b>
<b>Cash flows from financial activities</b>		
Proceeds from redeemable participating shares issues	18,349,099	11,242,165
Redemption of redeemable participating shares	(7,615,341)	(31,292)
Interest expense paid	-	-
<b>Net cash from financing activities</b>	<b>10,733,758</b>	<b>11,210,873</b>
<b>Net increase in cash and cash equivalents</b>	<b>15,089</b>	<b>7,168</b>
Cash and cash equivalents at beginning of the period	7,168	-
<b>Cash and cash equivalents at end of the year/period</b>	<b>22,257</b>	<b>7,168</b>