

Ocean Dial Investment Funds Plc

**UNAUDITED INTERIM REPORT &
CONSOLIDATED CONDENSED FINANCIAL
STATEMENTS**

For the period from 1 April 2013 to 30 September 2013

Ocean Dial Investment Funds Plc

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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)

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

Georges Court

54-62 Townsend Street

Dublin 2

Ireland

Custodian

(appointed on 27 September 2013)

Société Générale S.A.

3rd Floor, IFSC House

The IFSC

Dublin 2

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

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

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 30 September 2013 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 Dollar Index ("Index"). This Index tracks the S&P BSE Sensex Dollar 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 a 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 30 September 2013, 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.

Ocean Dial Investment Funds Plc

Investment Manager's Report

Introduction

The Ocean Dial Gateway to India Fund (the "Fund"), currently the sole sub-fund of Ocean Dial Investment Funds plc, launched on 10 September 2012, seeking to deliver long term capital appreciation for investors by gaining exposure to high quality, well managed Indian companies best placed to capture the benefits of the long term structural growth story that India offers. In order to deliver optimum risk adjusted returns in this complex market place, we believe it is essential to have a presence on the ground, providing a timely and relevant information flow to enable a value added investment process.

Our investment strategy is thus based around a team of highly experienced investment professionals who have, over the last 20 years, relentlessly focused on meeting company managements and forging relationships. This wealth of experience is used to construct portfolios to a rigorous investment process. The strategy is to select high quality businesses which can sustain above market growth, whilst at the same time identifying small and mid-cap companies, bought at the right price. Woven around this "bottom up" strategy is an investment process designed to ensure capital preservation and the management of risk. We look at businesses which are scalable, have competitive strengths, have the inherent ability to generate free cash, and most importantly have a management team with the utmost integrity and a hunger to grow. The portfolio comprises of a mix of long term compounding and deep value investments.

The six month period to September 2013 has been challenging for the Indian economy. Growth continued to remain weak with other macro-economic variables of the current account, inflation and the fiscal deficit remaining at uncomfortable levels. This was compounded by external developments beyond India's control, leading to a flight of capital across emerging markets. There was consequently high volatility in the markets. Though the broader BSE Sensex in INR was up 2.9% during this period, it was not reflective of the true state of the markets as the BSE Mid Cap Index fell 8.7%, the BSE Small Cap Index fell 5.8% and INR depreciated 15.5% against USD during this period.

Investment Portfolio Performance

The Fund Net Asset Value ("NAV") per Class A USD share as at 30 September 2013 was USD92.97, down 12.7% for the six month period to 30 September 2013, whilst the S&P BSE Dollex 30 (BSE Sensex USD equivalent) was down 10.6% for the same period, both in USD terms. In local currency (INR) the NAV was up 0.9%.

The IT, Healthcare and Consumer Staples sectors contributed positively for the six month period to 30 September 2013 with outperformance driven by HCL Technologies (up 36.8%), Lupin (up 36.2%), and eClerx Services (up 40.3%). The negative attribution mainly stemmed from the Financials sector with Bank of Baroda down 26.9% and ICICI Bank down 15.5% for the six month period to 30 September 2013.

Economy and politics

The Indian economy has continued to struggle and is yet to come out of the policy inaction that has resulted in a virtual standstill in investment spending. As a result, GDP growth continues with its declining trend and has now been trending at below 5% levels for three quarters in a row, something unimaginable two years back. Yet despite this, inflation, and in particular consumer price inflation, remains at over 9% levels, limiting the Central Bank in its ability to lower rates. An attempt by the Government to contain the fiscal deficit, in a period of declining tax revenues, by lowering subsidies in fuel, is further stoking this inflation. A lot had been expected in getting the investment cycle back on track through the announcement by the Government of a series of initiatives to kick-start large projects which had got stuck due to policy issues. However, these are clearly taking longer than originally anticipated. Also, with national elections in May 2014, the closer we approach the elections, the less likelihood there is of any bold policy initiatives.

On a positive note, consumption continues to grow, driven by the rural economy which appears more structural in nature as a consequence of improved infrastructure, higher minimum support prices for agricultural products, as well as initiatives announced by the Government to provide employment for every rural household at minimum daily wage. Along with rising land prices, this has led to a definite improvement in the terms of trade for the rural economy and is supporting growth. However the fallout has been inflation remaining stubbornly high, partly because the Government's monetary policy has no control over supply side constraints.

Investment Manager's Report (continued)

Events in the global economy have further exposed India's vulnerability to global events which are well beyond its control. The threat of a tapering of the quantitative easing in the US saw a flood of capital moving out of emerging markets causing their currencies to depreciate versus the US Dollar. Countries like India, which have a high current account deficit, largely due to inelastic oil imports, were amongst the sharpest to fall amid high daily volatility. This has further impacted the earnings of many corporates who have large external borrowings, largely unhedged, as well as those who have imported raw materials, for whom passing on cost increases in a weak growth environment is proving challenging.

A silver lining has been the appointment of Dr. Raghuram Rajan as the new Governor of the Reserve Bank of India. He comes as a breath of fresh air, being a non-bureaucrat with wide international experience. His first steps of announcing new schemes to encourage non-resident foreign deposits, directly funding the USD requirements of the oil companies and dramatically cutting back on gold imports, seems to have alleviated the problem, at least in the short term. This should provide some stability for the Indian Rupee going forward.

To sum up, the first half of the year has been marked by uncertainty and consequently high volatility. This has greatly impacted decision making at the corporate level. With elections expected in May 2014, it is unlikely there will be any dramatic change in the near term growth outlook, while global economic events will continue to influence Indian markets.

Ocean Dial Investment Funds Plc

Consolidated Statement of Comprehensive Income

For the period 1 April 2013 to 30 September 2013

	Note	Ocean Dial Gateway to India Fund and Group 6 months period ended 30 September 2013 US\$	Ocean Dial Gateway to India Fund and Group 16 months period ended 31 March 2013 US\$
Income			
Dividend income		274,655	61,868
Net realised (losses)/gains on financial assets and liabilities at fair value through profit or loss	7	(1,099,221)	328,513
Net change in unrealised (losses)/gains on financial assets and liabilities at fair value through profit or loss	7	(1,817,175)	743,911
Total (loss)/income		<u>(2,641,741)</u>	<u>1,134,292</u>
Expenses			
Bank interest expense		-	(3,132)
Audit fees		(19,970)	(22,703)
Legal fees		(5,485)	(9,851)
Directors' fees		(41,563)	(71,792)
Management fees	9	(138,274)	(105,237)
Administration fees	9	(40,548)	(68,213)
Custodian fees	9	(17,659)	(6,543)
Other expenses		(160,206)	(98,393)
Total operating expenses		<u>(423,705)</u>	<u>(385,864)</u>
Net (loss)/income		<u>(3,065,446)</u>	<u>748,428</u>
(Decrease)/increase in net assets attributable to holders of redeemable participating shares		<u>(3,065,446)</u>	<u>748,428</u>

The financial statements were approved by the board of Directors of Ocean Dial Investment Funds plc on 26 November 2013.

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

Ocean Dial Investment Funds Plc

Consolidated Statement of Financial Position

As at 30 September 2013

	Note	Ocean Dial Gateway to India Fund and Group 6 months period ended 30 September 2013 US\$	Ocean Dial Gateway to India Fund and Group 16 months period ended 31 March 2013 US\$
Assets			
Financial assets at fair value through profit or loss		16,789,617	11,488,362
Cash and cash equivalents	5	1,875,634	473,746
Securities sold receivable		-	288,117
Other receivables		25,259	28,669
Total assets		<u>18,690,510</u>	<u>12,278,894</u>
Liabilities			
Securities purchased payable		-	(83,647)
Accrued expenses	4	(151,596)	(235,946)
Total liabilities		<u>(151,596)</u>	<u>(319,593)</u>
Net assets attributable to holders of redeemable participating shares		<u>18,538,914</u>	<u>11,959,301</u>
Number of shares in issue	6	197,123	111,991
Net asset value per share	8		
Class A (US\$)		US\$92.97	US\$106.68
Class C (GBP)		£83.84	£102.60

The financial statements were approved by the board of Directors of Ocean Dial Investment Funds plc on 26 November 2013.

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 period 1 April 2013 to 30 September 2013

	Ocean Dial Gateway to India Fund and Group 6 months period ended 30 September 2013 US\$	Ocean Dial Gateway to India Fund and Group 16 months period ended 31 March 2013 US\$
Net assets attributable to holders of redeemable participating shares at the beginning of the period	11,959,301	-
Proceeds from redeemable participating shares issued	9,753,212	11,242,165
Payments on redeemable participating shares redeemed	(108,153)	(31,292)
Increase from share transactions	21,604,360	11,210,873
(Decrease)/increase in net assets attributable to holders of redeemable participating shares from operations	(3,065,446)	748,428
Net assets attributable to holders of redeemable participating shares at the end of the period	18,538,914	11,959,301

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

Ocean Dial Investment Funds Plc

Consolidated Statement of Cash Flows

For the period 1 April 2013 to 30 September 2013

	Ocean Dial Gateway to India Fund and Group 6 months period ended 30 September 2013 US\$	Ocean Dial Gateway to India Fund and Group 16 months period ended 31 March 2013 US\$
Cash flows from operating activities		
Proceeds from sale of investments	6,217,831	3,804,187
Purchase of investments	(14,231,012)	(14,424,595)
Operating expenses paid	(229,990)	(113,587)
Net cash used in operating activities	(8,243,171)	(10,733,995)
Cash flows from financial activities		
Proceeds from redeemable participating shares issues	9,753,212	11,242,165
Redemption of redeemable participating shares	(108,153)	(31,292)
Interest expense paid	-	(3,132)
Net cash from financing activities	9,645,059	11,207,741
Net increase in cash and cash equivalents	1,401,888	473,746
Cash and cash equivalents at beginning of the period	473,746	-
Cash and cash equivalents at end of the period	1,875,634	473,746

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

Ocean Dial Investment Funds Plc

Notes to the financial statements

For the period 1 April 2013 to 30 September 2013

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

Basis of preparation

These Condensed Interim Financial Statements have been prepared in accordance with IAS 34 on “Interim Financial Reporting,” and should be read in conjunction with the most recent audited annual financial statements, which were prepared in accordance with International Financial Reporting Standards as adopted by the E.U. (“IFRS”) and Irish statute comprising the Companies Acts, 1963 to 2012 and the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (as amended).

The Company has opted to prepare condensed interim financial statements. As a result, these financial statements are prepared on the basis of the accounting policies set out in the 31 March 2013 annual financial statements.”

3. Financial Derivative Instruments

The Group did not hold or trade in any financial derivative instruments for the period ended 30 September 2013.

4. Accrued Expenses (amounts falling due within the period)

	Ocean Dial Gateway to India Fund and Group 6 months period ended 30 September 2013 US\$	Ocean Dial Gateway to India Fund and Group 16 months period ended 31 March 2013 US\$
Audit fees	15,748	22,703
Investment managers fees	44,765	28,354
Directors' fee and expenses	26,690	94,993
Administration fees	20,812	32,712
Custodian fees	3,949	6,543
General expenses	39,632	50,641
Total accrued expenses	<u>151,596</u>	<u>235,946</u>

5. Cash

The Company has appointed Societe Generale S.A., as its Custodian for all the assets of the Company. At 30 September 2013, Ocean Dial Gateway to India Fund had cash of \$1,875,634 (31 March 2013: \$473,746).

Ocean Dial Investment Funds Plc

Notes to the financial statements

For the period 1 April 2013 to 30 September 2013

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 period were as follows:

	6 months period ended 30 September 2013		16 months period ended 31 March 2013	
	Class A (US\$) No. of shares	Class C (GBP) No. of shares	Class A (US\$) No. of shares	Class C (GBP) No. of shares
Shares at beginning of period	111,748	243	-	-
Shares issued during the period	81,459	4,725	112,028	243
Shares redeemed during the period	(1,052)	-	(280)	-
Shares at end of period	<u>192,155</u>	<u>4,968</u>	<u>111,748</u>	<u>243</u>

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

	Ocean Dial Gateway to India Fund and Group 6 months period ended 30 September 2013 US\$	Ocean Dial Gateway to India Fund and Group 16 months period ended 31 March 2013 US\$
	Realised gains/(losses) on financial assets and financial liabilities during the period	
Realised (losses)/gains on sale of investments	(262,736)	335,305
Realised (losses) on currency spot contracts	(836,485)	(6,792)
	<u>(1,099,221)</u>	<u>328,513</u>
Unrealised gains/(losses) arising from changes in fair value during the period		
Unrealised gains on sale of investments	127,808	742,921
Unrealised (losses)/gains on currency spot contracts	(1,944,983)	990
	<u>(1,817,175)</u>	<u>743,911</u>

Ocean Dial Investment Funds Plc
Notes to the financial statements

For the period 1 April 2013 to 30 September 2013

8. Net Asset Value

	30 September 2013	30 September 2013	31 March 2013	31 March 2013
	Class A (US\$)	Class C (GBP)	Class A (US\$)	Class C (GBP)
Net Asset Value	US\$17,864,427	£416,527	US\$11,921,444	£24,931
NAV per share	US\$92.97	£83.84	US\$106.68	£102.60

9. Fees

Investment Management Fee

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.

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

The Company shall pay to 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.

The Administrator of the Ocean Dial Gateway to India (Mauritius) Limited is Apex Fund Services (Mauritius) Ltd.

Amount earned by the Administrator and due to the Administrator at period end, are disclosed on the face of the Consolidated Statement of Comprehensive Income and included within note 4, respectively.

Custodian Fee

The Custodian 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.

Amount earned by the Custodian and due to the Custodian at period 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 \$50,148 for the period ended 30 September 2013 (period ended 31 March 2013: \$22,612).

Ocean Dial Investment Funds Plc
Notes to the financial statements

For the period 1 April 2013 to 30 September 2013

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 period end, are disclosed on the face of the Consolidated Statement of Comprehensive Income and included within note 4, respectively.

Directors

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. 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. David Hammond is a Director of Bridge Consulting Limited which will provide 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. The fees paid to Directors during the period are disclosed on the face of the Consolidated Statements of Comprehensive Income and included within note 4, respectively.

The fees paid to Bridge Consulting for the period ended 30 September 2013 were \$32,793 (31 March 2013: \$13,384). The fees of the administrator and custodian are detailed in note 9 to the financial statements.

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.

Ocean Dial Investment Funds Plc
Notes to the financial statements (continued)

For the period 1 April 2013 to 30 September 2013

12. Efficient Portfolio Management Techniques

The Fund does not engage in efficient portfolio management techniques.

13. Financial Instruments

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 30 September 2013 (31 March 2013: Level 1).

There were no transfers between Level 1 and Level 2 during the period 30 September 2013. There were no securities classified as Level 3 during the period.

14. Net Asset Value Reconciliation

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.

	Ocean Dial Gateway to India Fund and Group 6 months period ended 30 September 2013 US\$	Ocean Dial Gateway to India Fund and Group 16 months period ended 31 March 2013 US\$
Net asset value calculated in accordance with Prospectus	18,538,914	11,934,020
Adjustment to realign expenses	-	25,281
Net assets attributable to holders of redeemable participating shares per financial statements	<u>18,538,914</u>	<u>11,959,301</u>

Ocean Dial Investment Funds Plc

Notes to the financial statements (continued)

For the period 1 April 2013 to 30 September 2013

15. Soft Commission Arrangements

There were no soft commission arrangements affecting the Company during the period.

16. Exchange Rates

At period end the fund used the following exchange rates:

	30 September 2013	31 March 2013
Indian Rupee	62.78	54.35
Pound Sterling	0.62	0.66

17. Significant events during the period

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.

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

18. Subsequent events

During the period, from 1 October 2013, 30,407 Participating Shares were purchased for a consideration of US\$ 3,000,000 and 1,666 Participating Shares were redeemed for a consideration of US\$ 163,000.

There have been 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 period ended 30 September 2013.

19. Approval of financial statements

The financial statements were approved by the Board on 26 November 2013.

Ocean Dial Investment Funds Plc
Notes to the financial statements (continued)

For the period 1 April 2013 to 30 September 2013

Schedule of Investments

As at 30 September 2013

Holdings	Financial assets at fair value through profit or loss	Fair Value US\$	% of Net Assets
	Equities: 90.56%		
	Basic Materials: 3.59%		
275,000	PI Industries	666,287	3.59
		666,287	3.59
	Consumer, Cyclical: 7.02%		
133,506	Balkrishna Industries	510,082	2.75
60,000	Mahindra & Mahindra	790,847	4.27
		1,300,929	7.02
	Consumer, Non-cyclical: 14.69%		
40,000	Divi's Laboratories	618,284	3.34
250,000	ITC	1,355,592	7.31
55,000	Lupin	749,825	4.04
		2,723,701	14.69
	Energy: 4.55%		
70,000	Cairn India	355,536	1.92
70,000	Oil India	487,726	2.63
		843,262	4.55
	Financial: 21.11%		
100,000	Bank of Baroda	786,196	4.24
47,000	HDFC Bank	444,006	2.39
72,000	ICICI Bank	1,013,473	5.47
55,000	ING Vysya Bank	469,380	2.53
150,000	LIC Housing Finance	449,090	2.42
80,000	Sundaram Finance	645,842	3.48
100,000	Syndicate Bank	107,762	0.58
		3,915,749	21.11
	Industrial: 16.67%		
30,000	Akzo Nobel India	392,293	2.12
78,311	Cummins India	509,270	2.75
41,250	Larsen & Toubro	518,278	2.80
100,000	Pidilite Industries	399,828	2.16
5,000	Shree Cement	328,436	1.77
120,000	Supreme Industries	646,097	3.49
103,000	The Ramco Cements	292,624	1.58
		3,086,826	16.67

Ocean Dial Investment Funds Plc

Schedule of Investments (continued)

As at 30 September 2013

Holdings	Financial assets at fair value through profit or loss	Fair Value US\$	% of Net Assets
	Equities: 90.56%		
	Manufacturing: 3.77%		
100,000	Torrent Pharmaceuticals	698,026	3.77
		698,026	3.77
	Technology: 19.16%		
45,000	eClerx Services	606,361	3.27
65,000	HCL Technologies	1,125,699	6.07
7,000	Infosys Technologies	335,967	1.81
218,089	Mastek	438,247	2.35
35,000	Mindtree Consulting	679,684	3.67
36,560	Persistent Systems	368,879	1.99
		3,554,837	19.16
	Total Equities	16,789,617	90.56
	Total Value of Investments (Cost: US\$ 18,620,803)	16,789,617	90.56
	Cash	1,875,634	10.12
	Other Net Liabilities	(126,337)	(0.68)
	Net Assets Attributable to Holders of Redeemable Participating Shares	18,538,914	100.00
	Analysis of Portfolio		30-Sep-13
	Transferable securities		% of Total
	Other assets		Asset
			90.56
			9.44
			100.00

Ocean Dial Investment Funds Plc

Schedule of Investments

As at 31 March 2013

Holdings	Holdings	Financial assets at fair value through profit or loss	Fair Value US\$	% of Net Assets
	Equities: 95.53%			
	Basic Materials: 3.41%			
35,000	PI Industries		408,183	3.41
			408,183	3.41
	Communications: 7.16%			
91,400	Bharti Airtel		490,634	4.1
94,572	Zee Entertainment Enterprises		366,195	3.06
			856,829	7.16
	Consumer, Cyclical: 10.10%			
3,993	Bajaj Auto		132,210	1.11
55,825	Balkrishna Industries		277,636	2.32
8,600	Hero Motocorp		243,996	2.04
34,950	Mahindra & Mahindra		553,863	4.63
			1,207,705	10.10
	Consumer, Non-cyclical: 15.83%			
20,409	Divi's Laboratories		370,817	3.10
3,700	Dr Reddy's laboratories		120,258	1.01
138,700	ITC		789,710	6.60
32,660	Lupin		377,708	3.16
2775	Nestle India		234,264	1.96
			1,892,757	15.83
	Energy: 6.65%			
57,000	Cairn India		285,734	2.40
54,125	Oil India		508,636	4.25
			794,370	6.65
	Financial: 25.16%			
24,050	Axis Bank		575,563	4.81
18,400	Bank of Baroda		228,654	1.91
80,500	DLF		347,624	2.92
46,120	ICICI Bank		886,930	7.42
35,158	ING Vysya Bank		360,345	3.01
90,300	LIC Housing Finance		373,661	3.12
6,186	State Bank of India		235,916	1.97
			3,008,693	25.16

Ocean Dial Investment Funds Plc

Schedule of Investments (continued)

As at 31 March 2013

Holdings	Holdings	Financial assets at fair value through profit or loss	Fair Value US\$	% of Net Assets
	Equities: 95.53%			
	Industrial: 13.79%			
69,855	Bajaj Electricals		224,410	1.88
35,686	Cummins India		327,640	2.74
14,900	Larsen & Toubro		374,542	3.13
50,435	Madras Cements		235,704	1.97
3,150	Shree Cement		234,346	1.96
180,759	Voltas		250,601	2.11
			1,647,243	13.79
	Technology: 9.14%			
34,280	eClerx Services		380,297	3.18
48,700	HCL Technologies		712,355	5.96
			1,092,652	9.14
	Utilities: 4.29%			
95,000	Petronet LNG		236,844	1.98
155,500	Tata Power		276,095	2.31
			512,939	4.29
	Total Equities		11,421,371	95.53
	Time Deposits: 0.56%			
66,991	Barclays ODIM Deposit		66,991	0.56
			66,991	0.56
	Total Value of Investments		11,488,362	96.09
	(Cost: US\$ 10,745,441)			
	Cash		473,746	3.93
	Other Net Liabilities		(2,807)	(0.02)
	Net Assets Attributable to Holders of Redeemable Participating Shares		11,959,301	100.00
	Analysis of Portfolio			31-Mar-13
	Transferable securities			% of Total Asset
	Other assets			93.56
				6.44
				100.00

Ocean Dial Investment Funds Plc

Schedule of Material Portfolio Changes for the period ended 30 September 2013

Purchases	Cost US\$ 000	Sales	Proceeds US\$ 000
Bank of Baroda	991	Bharti Airtel	521
Torrent Pharmaceuticals	899	Tata Motors	490
Sundaram Finance	728	Axis Bank	413
Supreme Industries	719	Hindustan Zinc	389
ITC	641	DLF	367
Akzo Nobel India	558	Zee Entertainment Enterprises	367
Mindtree Consulting	550	VST Industries	337
ICICI Bank	541	Torrent Pharmaceuticals	317
Tata Motors	532	Bajaj Electricals	278
Pidilite Industries	520	Mundra Port	273
Mastek	466	Adani Ports	270
Hindustan Zinc	459	Voltas	262
The Ramco Cements	430	Nestle India	257
HDFC Bank	427	Hero Motocorp	239
Mahindra & Mahindra	411	State Bank of India	238
Cummins India	369	The Ramco Cements	233
Divis Laboratories	362	Tata Power	232
Larsen & Toubro	350	Petronet LNG	216
Infosys Technologies	346	Carborundum Universal	146
VST Industries	344	Bajaj Auto	133
Balkrishna Industries	341	Dr. Reddy's Laboratories	123
Persistent Systems	313		
Lupin	281		
Mundra Port	274		
Adani Ports	273		
ING Vysya Bank	251		
PI Industries	245		
HCL Technologies	227		
LIC Housing Finance	165		
Axis Bank	162		
Oil India	161		
Shree Cement	155		
Carborundum Universal	144		
Bajaj Electricals	129		
Syndicate Bank	125		
eClerx Services	122		

Ocean Dial Investment Funds Plc

Schedule of Material Portfolio Changes for the period ended 31 March 2013

Purchases	Cost US\$ 000	Sales	Proceeds US\$ 000
eClerx Services	397	Housing Development Finance Corporation	423
Divi's Laboratories	385	Kotak Mahindra Bank	404
ING Vysya Bank	369	IDFC	384
Sintex Industries	343	Cadila Healthcare	312
Barclays Odium Deposit	292	Jain Irrigation Systems	302
LIC Housing Finance	271	Hindalco Industries	287
Balkrishna Industries	262	Sintex Industries	281
Bank of Baroda	245	Dr Reddy's Laboratories	258
Shree Cement	227	Larsen & Toubro	226
Madras Cements	187	Barclays Odium Deposit	225
Voltas	132	Bajaj Auto	217
State Bank of India	131	ITC	208
HCL Technologies	100	Zee Entertainment Enterprises	188
Jain Irrigation Systems	74	LIC Housing Finance	155
Tata Power	72	State Bank of India	122
Axis Bank	63	Axis Bank	67
Oil India	62	ICICI Bank	67
IDFC	60	DLF	66
Petronet LNG	41	Mahindra & Mahindra	65
Mastek Ltd	40	Mastek Ltd	34