

DIRECTOR'S REPORT**To the Members,**

The Board of Directors ("the Board") of DSP Finance Private Limited ("DSP Finance/The Company") is pleased to present the 29th Director's Report together with the Audited Financial Statements of the Company for the financial year ended March 31, 2025. This Report includes Management Discussion and Analysis along with details of the Company's performance and various initiatives taken by the Company.

1. Company Profile

DSP Finance Private Limited (*previously known as DSP Investment Managers Private Limited*) ("the Company") was incorporated in India on May 13, 1996 and the registered office of the Company is situated in Mumbai, Maharashtra.

The Company had made an application to the Reserve Bank of India ("RBI") in March 2024 for registration as a Non-Banking Financial Company ("NBFC") and got registered with the Reserve Bank of India ("RBI") as a Non-Banking Financial Company ("NBFC") and categorized as a Investment and Credit Company ("ICC") as per the Master Direction – Reserve Bank of India (Non-Banking Financial Company–Scale Based Regulation) Directions, 2023 and amendments thereof ("SBR") with the Reserve Bank of India ("RBI") with NBFC registration No. N-13.02486 dated July 26, 2024 pursuant to letter no. CO.DOS.DSD.No.S3202/02-13-001/2024-25 dated July 29, 2024 issued by the RBI. Considering the assets size of the Company, it is categorized as a Middle Layer NBFC ("ML-NBFC") under the SBR.

The Company offers a comprehensive suite of secured lending products, serving a wide customer base ranging from retail borrowers to high-net-worth individuals and corporates. Its retail offerings include loans secured against financial assets such as mutual funds, bonds, and listed equity shares, enabling clients to meet liquidity requirements without liquidating their investments. For corporate clients, the Company provides secured credit facilities, including structured finance solutions, designed to address complex and customized funding needs. The Company remains focused on innovation within the secured lending space, leveraging its deep understanding of financial assets to deliver flexible and efficient credit solutions.

2. Share Capital

During the year under review, there was no change in the Authorized Share Capital of the Company. The Authorised Share Capital remains at Rs. 50,000 lakh, comprising of 5,000 lakh equity shares of face value of Rs. 10/- each.

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

The total Issued, Subscribed and Paid-up capital of the Company is Rs. 25,000 lakh comprising of 2,500 lakh equity shares of face value of Rs. 10/- each.

3. Net worth and Financials

As on March 31, 2025, the net worth of the Company increased by 4.86%, reaching ₹1,41,260.08 lakhs as compared to ₹1,34,704.32 lakhs as on March 31, 2024. The total income for FY 2024–25 stood at ₹13,701.02 lakhs, reflecting a 30.25% increase over the previous year's income of ₹10,519.15 lakhs, primarily driven by higher interest income from the loan portfolio.

Profit before tax rose moderately by 3.28% to ₹10,065.35 lakhs (FY 2023–24: ₹9,746.26 lakhs). However, profit after tax declined by 32.38% to ₹6,560.32 lakhs (FY 2023–24: ₹9,700.04 lakhs), largely due to a significant increase in current tax expense, which rose from ₹42.01 lakhs in FY 2023–24 to ₹6,834.39 lakhs in FY 2024–25. This was partly offset by deferred tax adjustments.

The total comprehensive income for the year stood at ₹6,555.76 lakhs. After making a statutory transfer of ₹1,312.06 lakhs to the Reserve under Section 45-IC of the RBI Act, 1934, the retained earnings carried forward to the balance sheet amounted to ₹1,14,952.48 lakhs, marking a 4.78% increase over the previous year.



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

Particulars	Year ended March 31, 2025 (Rs. In Lakhs)	Year ended March 31, 2024 (Rs. In Lakhs)
Revenue from Operations	13,701.02	10,519.12
Other Income	-	-
Total Income	13,701.02	10,519.15
Less: Expenses	3,635.67	772.86
Profit/(Loss) before taxation	10,065.35	9,746.26
Tax Expenses	3,505.32	46.22
Current Tax	6,834.39	42.01
Deferred Tax	(3,327.64)	(17.37)
Tax for earlier year	(1.72)	21.58
Profit/(Loss) after taxation	6,560.32	9,700.04
Other Comprehensive Income	(4.56)	0.10
Total Comprehensive Income	6,555.76	9,700.14
Balance of Profit & loss A/c brought forward	1,09,704.22	1,00,004.18
Balance available for appropriation	1,16,264.54	1,09,704.22
Less: Transfer of Reserve pursuant to Section 45-IC of RBI Act, 1934	1,312.06	-
Balance carried to Balance Sheet	1,14,952.48	1,09,704.22

4. Change in nature of business

- Commencement of Lending Operations

During the financial year 2024–25, there was a change in the nature of business of the Company with the commencement of lending operations. The Company obtained its Certificate of Registration from the Reserve Bank of India (RBI) in July 2024, enabling it to carry on the business of a Non-Banking Financial Company (NBFC) without accepting public deposits. Pursuant to the registration, the Company commenced its lending operations in September 2024 through its Corporate Lending Division (Financial Services Group – FSG) and subsequently launched its Retail Lending vertical in December 2024. With this development, the Company has formally transitioned into a lending-focused financial services entity in line with its long-term strategic objectives.

- Expansion into Points of Presence ("PoP") Business

During the year under review, the Company took a strategic step toward expanding its financial services portfolio by entering the Points of Presence (PoP) business for the distribution of pension products under the National Pension System (NPS), regulated by the Pension Fund Regulatory and Development Authority ("PFRDA").

To enable this, the Shareholders of the Company, at the Extra-Ordinary General Meeting (EGM) held on December 4, 2024, approved amendments to the Main Objects Clause of the Memorandum of Association ("MoA"), incorporating PoP-related activities. This amendment was a prerequisite for registration as a PoP under PFRDA regulations.

The Company has applied to PFRDA for registration as a Point of Presence and is awaiting the registration.

The Company is in the process of operationalizing its PoP platform and is actively engaging with PFRDA for further formalities. The move aligns with the Company's vision to expand its financial product offerings while leveraging its technology-enabled distribution infrastructure.



- Proposed Merger with Salter Technologies Private Limited

In line with its long-term strategic vision to become a key player in digital lending business and enhance operational synergies and consolidate complementary capabilities, the Board of Directors of the Company, at its meeting held on March 24, 2025, approved a Scheme of Amalgamation for the merger of its associate, Salter Technologies Private Limited, with the Company.

As part of the regulatory process, the Company has obtained a No Objection Certificate (NOC) from the Reserve Bank of India (RBI) for the proposed merger, in compliance with the applicable NBFC regulations.

The Company has filed the Scheme of Amalgamation with the National Company Law Tribunal (NCLT), which is currently pending before NCLT Bench, Court III. The Company is now awaiting the requisite approvals from the NCLT and other concerned regulatory authorities.

The proposed amalgamation is expected to bring about improved resource utilization, deeper technological integration, and enhanced operational efficiencies. Upon completion, it will strengthen the Company's positioning in the secured lending space and support its growth ambitions across retail and institutional segments.

- Incorporation of Wholly Owned Subsidiary – DSP Gilt Private Limited

During the year under review, the Company incorporated a wholly owned subsidiary named DSP Gilt Private Limited on February 20, 2025. The Corporate Identification Number (CIN) of the Company is U66190MH2025PTC440603. The subsidiary has been established to engage in the business of Primary Dealership in Government Securities, with the objective of participating in the government securities market and supporting the development of a robust and efficient debt market in India. The incorporation of DSP Gilt Private Limited aligns with the Company's strategic vision to diversify its financial services portfolio and expand its presence in the fixed income markets.

5. Business Review

- Structured Lending – Financial Solutions Group (FSG)

As part of its strategic objective to broaden its secured lending offerings, the Company launched a dedicated structured credit vertical — the Financial Solutions Group ("FSG") in September 2024. This vertical focuses on providing customised, structured credit solutions to large and mid-sized corporates, specifically addressing complex financing needs that extend beyond the scope of traditional loan products.

During the year, the FSG vertical successfully originated and executed a series of bespoke transactions, including promoter financing, acquisition funding, bridge loans, and working capital solutions, each tailored to meet the unique financial and operational requirements of its clients. These transactions were backed by prudent credit structuring practices, incorporating adequate collateral coverage, defined cash flow covenants, and event-linked protections.

As of March 31, 2025, the Company had structured loan portfolio balance of ₹ 70,268.49 lakhs under the FSG vertical. This segment has emerged as a significant contributor to the Company's overall portfolio growth and yield optimization, while also reinforcing its presence in the niche segment of structured corporate credit.

The FSG vertical is supported by a team of seasoned professionals with expertise in credit underwriting, legal structuring, and financial engineering, enabling the Company to manage complex credit exposures with a strong emphasis on risk-adjusted returns and portfolio resilience.

- Retail Lending and Strategic Expansion

During the year, the Company forayed into retail digital lending marking a pivotal step in diversifying its customer base and enhancing portfolio granularity. By the end of the financial year, the Company had onboarded 15,172 retail customers and built a retail loan book of ₹ 37,889.33 lakhs, primarily comprising secured loans against financial assets, such as mutual fund units.



To scale its reach and deliver credit solutions seamlessly through digital platforms, the Company has partnered with multiple Loan Service Providers ("LSPs") which are in compliance with the Reserve Bank of India's Digital Lending Guidelines. These digital partnerships form a core part of the Company's long-term growth strategy, enabling efficient origination, faster turnaround times, and broader financial inclusion. The Company remains committed to further investing in technology, analytics, and strategic partnerships to build a robust and compliant retail lending franchise.

6. Dividends

Although your Company continued to register profits during the financial year ended March 31, 2025, your directors consider it prudent to conserve resources and, therefore, do not recommend any dividend for the financial year ended March 31, 2025.

7. Transfer to Reserve

- General Reserve

During the year under review, the Board of Directors has not recommended any transfer of profits to the General Reserve, and accordingly, the entire retained earnings for the financial year have been carried forward in the Profit and Loss Account. This decision has been taken keeping in view the Company's capital requirements to support its business growth and maintain adequate liquidity buffers in line with its strategic objectives.

- Statutory Reserve under Section 45-IC of the RBI Act, 1934

In compliance with the provisions of Section 45-IC of the Reserve Bank of India Act, 1934, the Company is required to transfer a minimum of 20% of its net profit after tax to a Statutory Reserve, as part of prudential regulatory requirements applicable to Non-Banking Financial Companies (NBFCs).

Accordingly, the Company has transferred an amount of ₹1,312.06 lakhs to the Statutory Reserve during the financial year ended March 31, 2025. The said transfer has been duly reflected in the financial statements and follows the applicable guidelines issued by the Reserve Bank of India.

8. Subsidiary/Joint Ventures/Associate Companies & its performance

- DSP Gilt Private Limited (Subsidiary)

During the year under review, the Company subscribed to 10,000 (Ten Thousand) Equity Shares of INR 10/- (Rupees Ten only) each of DSP Gilt Private Limited, thereby making it a wholly owned subsidiary of the Company. Since DSP Gilt Private Limited was incorporated on February 20, 2025, its first financial year will be from the date of incorporation until March 31, 2026.

- Salter Technologies Private Limited (Associate)

Salter Technologies Private Limited ("Salter") became the Associate Company of the Company w.e.f. February 28, 2025. During the year, the Company entered into an agreement with Salter, its associate, to act as a Lending Service Provider (LSP) and Technology Service Provider (TSP) for certain financial products and digital platforms. The arrangement is expected to strengthen the Company's product offerings and facilitate greater digital enablement in its lending operations. In line with its long-term strategic vision to become a key player in digital lending business and enhance operational synergies and consolidate complementary capabilities, the Board of Directors of the Company, at its meeting held on March 24, 2025, approved a Scheme of Amalgamation for the merger of its associate, Salter Technologies Private Limited, with the Company.

The Company does not have any Joint Venture as on March 31, 2025.

The performance and financial position of the above-mentioned subsidiary and associate company, to the extent available, are provided in Form AOC-1 as attached in **Annexure A** to this Report.



9. Consolidated Financial Statements

Pursuant to Section 129(3) of the Companies Act, 2013, every company having one or more subsidiaries is required to prepare consolidated financial statements (CFS). However, in terms of Rule 6 of the Companies (Accounts) Rules, 2014, a holding company which is itself a subsidiary of another company is exempted from preparing consolidated financial statements, provided that its financial statements are included in the consolidated financial statements of its ultimate holding company, and such ultimate holding company prepares and publishes consolidated financial statements in compliance with applicable accounting standards.

The Company qualifies for this exemption since it is a subsidiary of DSP Adiko Holdings Private Limited ("DSP Adiko"), whose consolidated financial statements include the Company's financials. DSP Adiko, the ultimate holding company, prepares and publishes its consolidated financial statements in accordance with applicable accounting standards. Further, the equity pick-up of Salter Technologies Private Limited, an associate of the Company, is reflected in the consolidated financial statements of DSP Adiko.

Accordingly, the Company has not prepared consolidated financial statements for the financial year ended March 31, 2025.

10. Material changes

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

11. Board of Directors, Key Managerial Personnel (KMP) and Senior Management Personnel (SMP)

The Board of Directors of the Company comprises of five Directors as on March 31, 2025.

- Changes in Directorship

i. Appointment of Chairman

During the year under review, the Board of Directors of the Company, at its meeting held on September 28, 2024, approved the designation of Mr. Hemendra Mathradas Kothari (DIN: 00009873), a Non-Executive Director, as the Chairman of the Company. This appointment was made pursuant to the recommendation of the Nomination and Remuneration Committee, in line with the applicable provisions of the Companies Act, 2013 and corporate governance best practices. Mr. Kothari brings with him extensive experience in capital markets and financial services, and the Board believes his leadership will continue to strengthen the strategic direction of the Company.

ii. Regularization and Appointment of Whole-time Director

At the 28th Annual General Meeting (AGM) of the Company held on September 30, 2024, the Shareholders duly regularized the appointment of Mr. Jayesh Mehta (DIN: 00030636), who had earlier been appointed as an Additional Director. Further, the Shareholders also approved the appointment of Mr. Jayesh Mehta as the Whole-time Director of the Company for a period of five years, commencing from March 7, 2024, and ending on March 6, 2029, pursuant to the provisions of relevant sections of the Companies Act, 2013 read with applicable rules made thereunder.

Apart from the above, there were no other changes in the composition of the Board of Directors during the financial year ended March 31, 2025.

- Resignation of Chief Financial Officer (CFO)

Ms. Priya Ranjit was appointed as the Chief Financial Officer (CFO) of the Company with effect from July 29, 2024 in accordance with Section 203 of the Companies Act, 2013. During her tenure, Ms. Ranjit played a significant role in strengthening the Company's financial reporting, treasury management, and regulatory compliance functions. However, she resigned from the position of CFO with effect from June 30, 2025, citing personal reasons.



- Appointment of Senior Management Personnel

In line with the regulatory expectations under the RBI's Scale Based Regulation (SBR) framework, the Company undertook key leadership appointments, strengthening its risk management and compliance architecture.

- Mr. Sachin Agarwal has been appointed as the Chief Risk Officer (CRO) of the Company. He is responsible for enterprise-wide risk management, credit risk assessment, and implementation of risk mitigation controls, as per RBI's guidelines on Risk Management Framework and Credit Risk.
- Mr. Sahib Pahwa has been appointed as the Chief Compliance Officer (CCO) of the Company. In his role, he oversees the end-to-end compliance function, regulatory reporting, and implementation of internal controls and compliance monitoring, in accordance with RBI's Compliance Function Circular (2020) and the SBR framework.

These appointments were duly approved by the Board of Directors and reflect the Company's commitment to sound governance and regulatory alignment.

Apart from the above, there were no other changes to the Directors / Key Managerial Personnels during the year under review.

12. Meetings of the Board and Committee(s)

a. Board Meetings

The Board of Directors met eleven (11) times during the financial year ended March 31, 2025, in accordance with the provisions of the Act and Rules made thereunder.

The dates on which Board Meetings were held and the details of the Directors who attended the Meetings are as given below:

Sr. No.	Date of Board Meetings
1	April 29, 2024
2	July 29, 2024
3	August 22, 2024
4	September 28, 2024
5	November 21, 2024
6	December 17, 2024
7	January 09, 2025
8	February 10, 2025
9	February 28, 2025
10	March 17, 2025
11	March 24, 2025

Name of Director	No. of Board Meetings held and attended during the financial year 2024-25	
	Held	Attended
Mr. Hemendra M. Kothari	11	10
Mr. Jayesh Mehta	11	11
Ms. Aditi Kothari Desai	11	11
Mr. Virendra Vitthal Das Sheth	11	11
Mr. Pramodprakash Chandrikaprasad Singh	11	11

In respect of the aforesaid meetings, Proper notices were given and the proceedings were appropriately recorded in the Minutes, which were signed & maintained in the Minutes book.



b. Committees

i. Audit Committee

Pursuant to the provisions of Section 177 of the Companies Act, 2013, as amended, read with Rule 6 of the Companies (Meetings of the Board and its Powers) Rules, 2014 (collectively referred to as the "Companies Act") and pursuant to the Master Circular – "Non-Banking Financial Companies – Corporate Governance (Reserve Bank) Directions, 2015, the Company constituted an Audit Committee.

At the meeting of the Board of Directors of the Company held on August 22, 2024, the Audit Committee was constituted with the following Members of the Board of Directors:

Sr. No.	Name of the Director	Position
1.	Mr. Hemendra M. Kothari	Chairman
2.	Mr. Jayesh Mehta	Member
3.	Mr. Pramodprakash Chandrikaprasad Singh	Member

In accordance with the provisions of Sections 177 (9) and 177 (10) of Companies Act, 2013 and rules made thereunder, the Board, on recommendation of the Audit Committee, approved the Vigil Mechanism /Whistle Blower policy, which inter alia outlines a transparent channel for employees, directors, and other stakeholders to report genuine concerns about unethical behavior, actual or suspected fraud, violation of the company's Fair Practice Code, or any instance of misconduct.

ii. Nomination and Remuneration Committee

Pursuant to the provisions of section 178 of the Companies Act, 2013, as amended, read with Rule 6 of the Companies (Meetings of the Board and its Powers) Rules, 2014 (collectively referred to as the "Companies Act"), and pursuant to the Master Circular – "Non-Banking Financial Companies – Corporate Governance (Reserve Bank) Directions, 2015, the Company was required to constitute a Nomination and Remuneration Committee.

At the meeting of the Board of Directors of the Company held on August 22, 2024, the Nomination and Remuneration Committee was constituted with the following members of the Board of Directors:

Sr. No.	Name of the Director	Position
1.	Mr. Hemendra M. Kothari	Chairman
2.	Ms. Aditi Kothari Desai	Member
3.	Mr. Pramodprakash Chandrikaprasad Singh	Member

The Board on recommendation of the Nomination and Remuneration Committee, has approved the Appointment & Remuneration Policy ("Policy") which sets out the criteria for appointment of Directors, evaluation of performance and determination of remuneration based on the performance of Directors in accordance with the provisions of Section 178 of the Companies Act, 2013.

iii. Risk Management Committee

Pursuant to the Notification issued by the Reserve Bank of India, Non-Banking Financial Companies – Corporate Governance (Reserve Bank) Directions, 2015, the Board of Directors of the Company is required to constitute a Risk Management Committee.

At the meeting of the Board of Directors of the Company held on August 22, 2024, the Risk Management Committee was constituted with the following members of the Board of Directors:

Sr. No.	Name of the Director	Position
1.	Mr. Hemendra M. Kothari	Chairman
2.	Mr. Jayesh Mehta	Member
3.	Mr. Pramodprakash Chandrikaprasad Singh	Member



The Board of Directors, based on the recommendation of the Risk Management Committee, has approved the Risk Management Policy of the Company. The Policy outlines a structured framework for identifying, assessing, monitoring, and mitigating material risks that may impact on the Company's operations and objectives. The Risk Management Committee periodically reviews the key risks faced by the Company, evaluates the effectiveness of existing control measures, and advises the Board on appropriate mitigation strategies to ensure that risks are managed within the defined risk appetite of the Company.

iv. Corporate Social Responsibility (CSR) Committee

As on March 31, 2025, the Corporate Social Responsibility Committee comprised of the following Members:

Sr. No.	Name of the Director	Position
1.	Mr. Hemendra Kothari	Chairman
2.	Ms. Aditi Kothari Desai	Member
3.	Mr. Pramodprakash Chandrikaprasad Singh	Member
4.	Mr. Virendra Vithaldas Sheth	Member

Pursuant to Section 135 of the Companies Act, 2013 and the Rules thereunder, the Corporate Social Responsibility ("CSR") activities/initiatives undertaken by the Company and a brief outline on Corporate Social Responsibility ("CSR") Policy of the Company are annexed herewith as **Annexure D** to this report.

v. Asset & Liability Committee

The Company is required to constitute an Asset & Liability Committee in accordance with the Master Circular on Non-Banking Financial Companies - Corporate Governance (Reserve Bank) Directions, 2015 issued by the RBI.

At the meeting of the Board of Directors of the Company held on August 22, 2024, the Asset & Liability Committee was constituted with the following members of the Board of Directors:

Sr. No.	Name of the Director	Position
1.	Mr. Jayesh Mehta	Chairman
2.	Mr. Priya Ranjit *	Member
3.	Mr. Sandeep Baid	Member

**Ms. Priya Ranjit resigned as a Member of Asset & Liability Committee with effect from June 30, 2025.*

vi. IT Strategy Committee

The Company is required to constitute an IT Strategy Committee in accordance with the Master Circular on Non-Banking Financial Companies - Corporate Governance (Reserve Bank) Directions, 2015 issued by the RBI.

At the meeting of the Board of Directors of the Company held on August 22, 2024, IT Strategy Committee was constituted with the following members of the Board of Directors:

Sr. No.	Name of the Director	Position
1.	Mr. Jayesh Mehta	Chairman
2.	Mr. Pramodprakash Chandrikaprasad Singh	Member
3.	Mr. Virendra Sheth	Member

vii. IT Steering Committee (ITSC)

The Company is required to constitute an IT Steering Committee in accordance with the Master Circular on (Information Technology Governance, Risk, Controls and Assurance Practices) Directions, 2023 issued by the RBI.



At the meeting of the Board of Directors of the Company held on August 22, 2024, the IT Steering Committee was constituted with the following members:

Sr. No.	Name of the Director	Position
1.	Mr. Jayesh Mehta	Chairman
2.	Ms. Priya Ranjit *	Member
3.	Mr. Sandeep Baid	Member

**Ms. Priya Ranjit resigned as a Member of IT Steering Committee with effect from June 30, 2025.*

viii. Information Security Committee (ISC)

The Company is required to constitute an Information Security Committee in accordance with the Master Circular on (Information Technology Governance, Risk, Controls and Assurance Practices) Directions, 2023 issued by the RBI.

At the meeting of the Board of Directors of the Company held on August 22, 2024, the Information Security Committee was constituted with the following members:

Sr. No.	Name of the Director	Position
1.	Mr. Jayesh Mehta	Chairman
2.	Ms. Priya Ranjit *	Member
3.	Mr. Sandeep Baid	Member

**Ms. Priya Ranjit resigned as a Member of Information Security Committee (ISC) with effect from June 30, 2025*

ix. Credit Committee

The Company has constituted a Credit Committee for approving transactions with respect to FSG Business

At the meeting of the Board of Directors of the Company held on August 22, 2024, the Credit Committee was constituted with the following members:

Sr. No.	Name of the Director	Position
1.	Mr. Hemendra Kothari	Chairman
2.	Mr. Jayesh Mehta	Member
3.	Mr. Sandeep Baid	Member

c. General Meetings

i. Annual General Meeting

During the year under review, the Annual General Meeting of the Company for the Financial Year ended March 31, 2024 was held on September 30, 2024.

ii. Extra-ordinary General Meeting

During the year under review, One (1) Extra-ordinary General Meeting (EGM) of the Company was held on December 4, 2024.

13. Auditors and Reports

The matters related to Auditors and their Reports are as under:

a. Statutory Auditors

During the year under review, M/s. BSR & Co., LLP, Chartered Accountants (Firm Registration No. 101248W/W-100022) tendered their resignation as the Statutory Auditors of the Company on September 27, 2024, before the completion of their term, thereby resulting in a casual vacancy in the office of the Statutory Auditors under the provisions of Section 139(8) of the Companies Act, 2013. Thereafter, M/s. Shah Gupta & Co., Chartered Accountants (Firm Registration Number:



109574W) were appointed as the Statutory Auditors to fill the casual vacancy and they held office till the conclusion of the Annual General Meeting held on September 30, 2024. Thereafter, at the Annual General Meeting, the Shareholders approved their appointment as the Statutory Auditors of the Company for a period of 3 (three) consecutive years from the conclusion of the 28th annual general meeting until the conclusion of the 31st annual general meeting.

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

There are no such qualifications, reservations or adverse remarks or disclaimers made by Statutory Auditors hence, the comments are not offered.

For the year under review, Secretarial audit was not applicable to the Company.

c. Fraud Reporting

During the year under review, there were no material or serious instances of fraud falling within the purview of Section 143 (12) of the Companies Act, 2013 and rules made thereunder, reported by the Statutory Auditors of the Company during the course of the audit conducted by them.

14. Maintenance of Cost Records

The provisions of Section 148(1) of the Act read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, are not applicable to the Company for the financial year under review. Hence, the Company is not required to maintain Cost Records under the said Rules.

15. Management Discussion & Analysis Report

The Management Discussion and Analysis Report as mandated by the RBI Directions is part of this Board's Report annexed as **Annexure C** which forms part of this Board's Report.

16. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

a. Energy Conservation and Technology Absorption

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

b. Foreign Exchange earnings and outgo

The earnings in foreign currency for the FY 2024-25 are NIL and the total expenditure incurred in foreign currency is NIL as per the audited financials.

17. Directors' Responsibility Statement

Pursuant to Section 134(5) of the Companies Act, 2013, in relation to the audited financial statements of the Company for the year ended 31st March, 2025, the Board of Directors of the Company, to the best of their knowledge and ability, hereby confirm that:

- a. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures
- b. such accounting policies have been selected and applied consistently and the Directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2025 and of the profit of the Company for that year
- c. proper and sufficient care was taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities
- d. the annual accounts of the Company have been prepared on a going concern basis



- e. the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively and
- f. proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively

18. Significant and Material Orders passed by the Regulators, Courts or Tribunals

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

a. Compliance with NBFC Regulations

As a Middle Layer NBFC, under the Reserve Bank of India's Scale-Based Regulatory (SBR) Framework, your Company has complied with the applicable regulatory provisions issued by the Reserve Bank of India (RBI) under the RBI Act, 1934, as well as the relevant Master Directions and circulars in force during the financial year.

During the year under review, the Company proactively aligned its operations, governance structures, and internal control systems with the evolving regulatory expectations of the Reserve Bank of India (RBI). The Company successfully implemented the revised Income Recognition, Asset Classification, and Provisioning (IRACP) norms, incorporating the standardisation of due dates, uniform definition of Days Past Due (DPD), and updated provisioning requirements. System-level configurations were upgraded to ensure accurate recognition of overdue accounts and real-time tracking of portfolio health. Concurrently, the Company advanced its preparedness for the implementation of Indian Accounting Standards (Ind-AS) by establishing dedicated working groups, enhancing data quality controls, and initiating reconciliation and parallel reporting mechanisms to ensure a seamless transition.

In line with the RBI Guidelines on Digital Lending (issued in November 2022 and further revised in April 2025), the Company reinforced its commitment to responsible and transparent lending practices. It implemented borrower-centric measures such as issuance of Key Fact Statements (KFS), direct disbursements and repayments strictly between borrower and Company bank accounts, and comprehensive disclosures regarding the role of Loan Service Providers (LSPs). The Company also ensured timely regulatory reporting of LSPs and maintained ongoing oversight of their conduct to ensure adherence to the prescribed digital lending norms.

The Company further enhanced its IT and outsourcing governance in compliance with the RBI Master Direction on Outsourcing of IT Services (April 2023) and the Master Direction on Information Technology Governance, Risk, Controls and Assurance Practices (April 2024). Comprehensive reviews were undertaken to strengthen vendor due diligence, contract management, data security, and business continuity planning. At the same time, the Company established a formal IT Governance and Cybersecurity Framework to improve Board oversight on IT strategy, implement advanced cybersecurity controls, and initiate independent audits and vulnerability assessments to ensure system integrity and regulatory compliance.

As part of the Scale-Based Regulatory (SBR) Framework applicable to Middle Layer NBFCs, the Company operationalised key governance and risk management enhancements, including alignment of Board composition, appointment of Key Managerial Personnel (KMPs), and strengthening of independent Risk and Compliance functions. The Company also reinforced its Asset-Liability Management (ALM) and Liquidity Risk Management (LRM) processes by introducing stress testing, early warning indicators, and contingency funding plans. Additionally, the Company ensured adherence to ongoing regulatory requirements such as the Fair Practices Code, timely submission of all statutory returns (including NBS1, NBS2, NBS7, DNBS, etc.) through the RBI COSMOS platform, and continuous monitoring of exposure norms, related party transactions, and prudential limits. As on March 31, 2025, the Company maintained a Capital Adequacy Ratio (CRAR) of 112.00%, substantially higher than the regulatory minimum of 15%, reflecting strong capitalisation, prudent financial management, and operational resilience.

The Company remains committed to maintaining compliance with the RBI's regulatory framework while promoting sound governance, responsible lending, and financial innovation.



19. Compliance with Secretarial Standards

During the year under review, your Company has ensured strict adherence to the applicable Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) and notified by the Ministry of Corporate Affairs (MCA) under the provisions of the Companies Act, 2013.

Specifically, the Company has complied with the following Secretarial Standards:

- **Secretarial Standard-1 (SS-1):** *Secretarial Standard on Meetings of the Board of Directors*- The Company has adhered to the stipulations under SS-1 with respect to the convening, conduct, and documentation of Board Meetings and Meetings of Committees of the Board. This includes compliance with matters such as minimum notice periods, quorum requirements, detailed agenda preparation, attendance registers, circulation and signing of minutes, and maintaining records of decisions taken by the Board and its Committees.
- **Secretarial Standard-2 (SS-2):** *Secretarial Standard on General Meetings*- The Company has also ensured compliance with the provisions of SS-2 concerning the conduct of its General Meetings. This includes issuance of notices with prescribed disclosures, determining cut-off dates for e-voting, adherence to timelines for dispatch of Annual Reports, conduct of the meeting in a transparent and time-bound manner, recording of minutes, and making them available for inspection as prescribed.

The Board affirms that these standards have been consistently followed to maintain transparency, accountability, and uniformity in the Company's secretarial practices and governance processes. The Company Secretary has also conducted internal compliance checks and periodic reviews to ensure continued adherence to these standards throughout the financial year.

20. Corporate Social Responsibility

Pursuant to Section 135 of the Companies Act, 2013 and the Rules thereunder, details of the Corporate Social Responsibility ("CSR") activities/initiatives undertaken by the Company and a brief outline on Corporate Social Responsibility ('CSR') Policy of the Company are annexed herewith as **Annexure D** to this report.

21. Deposits

The Company has not accepted or renewed any deposits falling within the purview of provisions of Section 73 of the Companies Act 2013 ("the Act") read with the Companies (Acceptance of Deposit) Rules, 2014 during the year under review. Hence, the requirement for furnishing of details of deposits which are not in compliance with the Chapter V of the Act is not applicable.

Further, the Company being a Non-Banking Finance Company registered as Non-Deposit Taking Systemically Important Company categorised under Middle Layer as per Scale Based Regulation, it does not accept public deposits at any point of time and also ensures the due compliance of applicable guidelines of Reserve Bank of India in this regard.

22. Annual Return

Pursuant to the provisions of Section 92(3) of the Companies Act, 2013, copy of the Annual Return for the Financial Year ended 31st March 2025 is available at the Registered Office of the Company and will be available on the web-link <https://dspfin.com/> for inspection of the Members who may be interested.

23. Particulars of contracts or arrangements with related parties

During the year under review, the Company has entered into certain transactions, contracts, and arrangements with related parties as defined under Section 2(76) read with Section 188(1) of the Companies Act, 2013. All such transactions were carried out on an arm's length basis and in the ordinary course of business. Details of these related party transactions are provided in the Notes to the Financial Statements, and the disclosures as required under Form AOC-2 are annexed herewith as **Annexure B** to this report.



24. Risk Management**- Framework and Policy:**

The Company acknowledges that risk is an inherent component of any business activity, particularly in the financial services sector. Recognizing the significance of a structured and proactive approach, the Company has instituted a robust Risk Management Framework, aligned with regulatory expectations under the Reserve Bank of India's Scale-Based Regulations and best industry practices.

The Company has also formulated a comprehensive Risk Management Policy, duly approved by the Board of Directors. This policy serves as the foundation for identifying, evaluating, monitoring, and mitigating various types of risks that may adversely impact the Company's financial stability, operational continuity, or reputation. The Policy also defines the roles and responsibilities of the Board, Risk Management Committee, and key management personnel in the overall risk governance structure.

- Governance Structure

The Company has constituted a dedicated Risk Management Committee (RMC) in accordance with RBI regulations applicable to Middle Layer NBFCs. The RMC is entrusted with the responsibility of overseeing the enterprise-wide risk management practices and ensuring the adequacy of internal controls to mitigate risk exposures.

The RMC meets at regularly to discuss the following:

- Review the risk appetite and tolerance limits,
- Monitor emerging and material risks (credit, liquidity, operational, market, compliance, reputational, and technology risks),
- Assess the adequacy of mitigation strategies,
- Review key risk indicators and stress-testing outcomes,
- Recommend corrective actions to the Board, where necessary.

- Key Risks Monitored

The Company monitors and manages the following principal risks as part of its integrated risk framework:

- **Credit Risk** – Risk of loss due to default or deterioration in creditworthiness of borrowers.
- **Liquidity Risk** – Risk arising from the inability to meet short-term obligations due to asset-liability mismatches.
- **Operational Risk** – Risks arising from inadequate or failed internal processes, systems, human error, or external events.
- **Market Risk** – Risks due to adverse movements in interest rates, security prices, or macroeconomic conditions.
- **Regulatory & Compliance Risk** – Risk of non-compliance with applicable laws, regulations, and supervisory expectations.
- **Technology & Cyber Risk** – Risks arising from increasing digitalization and exposure to cybersecurity threats.
- **Reputational Risk** – Risk impacting the Company's brand and public perception due to operational failures, misconduct, or adverse publicity.

- Risk Culture and Controls

The Company promotes a strong risk culture by integrating risk considerations into decision-making at all levels. Regular risk awareness programs and internal audits ensure that risk management is not a standalone function but a part of business-as-usual activities. The internal control mechanisms, system-based checks, segregation of duties, and automated alerts are used to detect and mitigate potential risk events.

- Board Oversight

The Board of Directors is kept apprised of the risk profile of the Company through periodic updates from the Risk Management Committee. Any significant deviation from risk thresholds, stress test results, or emerging concerns are escalated to the Board for direction and oversight.



a. Internal Financial Controls

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

b. Loans, guarantee, security and Investment made by the Company

The Company being a Non-Banking Financial Company (NBFC) registered with the Reserve Bank of India (RBI) primarily engaged in the business of lending is exempted from provisions of Section 186 of the Companies Act, 2013 ("Act").

The details of Investments covered under the provisions of Section 186 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 are given in the Notes to the Financial Statements.

25. Prevention of Sexual Harassment of Women at Workplace

During the year under review, the Company has in place a formal policy on 'Prevention of Sexual Harassment of Women at Workplace', which has been duly approved by the Board of Directors. The Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 to address complaints pertaining to sexual harassment at the workplace.

During the year under review, no complaints related to sexual harassment were received by the Company.

26. Particulars of Employees

The provisions of Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, relating to disclosure of details of employees in receipt of remuneration, are not applicable to the Company for the year under review. Further, the Company confirms that it is in compliance with the provisions of the Maternity Benefits Act, 1961.

27. Registrar and Transfer Agents

Followings are the Registrar and Transfer Agents (RTA) of the Company:

- KFin Technologies Private Limited
- NSDL Database Management Limited

28. Disclosure Under Section 43(A)(ii) of the Act

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

29. Disclosure Under Section 54(1)(D) of the Act

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

30. Disclosure Under Section 67(3) of the Act

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



31. Other disclosures

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

a. Proceedings pending under the Insolvency and Bankruptcy Code, 2016

Details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the year along with their status as at the end of the financial year:

No application was filed for Corporate Insolvency Resolution Process, by a financial or operational creditor or by the Company itself under the Insolvency and Bankruptcy Code, 2016 before the National Company Law Tribunal.

b. Valuation

Details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof.

There was no instance of one-time settlement with any Bank or Financial Institution.

32. Acknowledgements and Appreciation

Your Directors take this opportunity to express their deep sense of appreciation for the commitment, co-operation, active involvement and dedication displayed by all the Employees, Shareholders, Auditors, Bankers and Business Partners/Associates for their consistent support to the Company. Your Directors look forward to their continued support in the future.

For and on behalf of the Board of Directors of
DSP Finance Private Limited



Jayesh Mehta
Whole time Director & CEO
DIN: 00030636
Place: Mumbai
Date: August 19, 2025
Address: Mafatlal Centre, 11th Floor,
Vidhan Bhavan Marg, Nariman Point,
Mumbai - 400021



Virendra Sheth
Director
DIN: 02657630
Place: Mumbai
Date: August 19, 2025
Address: Mafatlal Centre, 11th Floor,
Vidhan Bhavan Marg, Nariman
Point, Mumbai - 400021



FORM AOC- 1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries or associate companies or Joint ventures

Part A Subsidiaries

(Amt in Rs.)

1.	Name of the subsidiary Company	*DSP Gilt Private Limited
2.	Date since when Subsidiary was acquired / incorporated	February 20, 2025
3.	Reporting period for the subsidiary concerned, if different from the Holding Company's reporting period.	Since the Company was incorporated on February 20, 2025 therefore in accordance with Section 2(41) of Companies Act, 2013, The Company can prepare its accounts for period of 15 months. Accordingly reporting period for Subsidiary shall be from February 20, 2025 to March 31, 2026.
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	N.A.
5.	Share capital	1,00,000
6.	Reserves and surplus	-
7.	Total assets	-
8.	Total Liabilities	-
9.	Investments	-
10.	Turnover	-
11.	Profit before taxation	-
12.	Provision for taxation	-
13.	Profit after taxation	-
14.	Proposed Dividend	-
15.	Extent of shareholding (in percentage)	100%

Notes:

- Names of subsidiaries which are yet to commence operations: DSP Gilt Private Limited
- Names of subsidiaries which have been liquidated or sold during the year: N.A.

*Note- *DSP Gilt Private Limited got capitalized post financial year ended March 31, 2025.*





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

Name of Associates or Joint Venture	Salter Technologies Private Limited
1. Latest audited Balance Sheet Date	March 31, 2025
2. Date on which the Associate or Joint Venture was associated or acquired	February 28, 2025
3. Shares of Associate or Joint Ventures held by the company on the year end	
No.	65,222
Amount of Investment in Associates or Joint Venture	5,609.55 lakhs
Extent of Holding (in percentage)	36.80%
4. Description of how there is significant influence	Associate
5. Reason why the associate/Joint venture is not consolidated.	Claimed exemption under the Companies (Accounts) Rules, 2014, Rule 6.
6. Net worth attributable to shareholding as per latest audited Balance Sheet	1,571.10 lakhs
7. Profit or Loss for the year	
i. Considered in Consolidation	Nil
ii. Not Considered in Consolidation	(363.50) lakhs

- Names of associates or joint ventures which are yet to commence operations: NA
- Names of associates or joint ventures which have been liquidated or sold during the year: NA

For and on behalf of the Board of Directors of
DSP Finance Private Limited


Jayesh Mehta
Whole time Director & CEO
DIN: 00030636
Place: Mumbai
Date: August 19, 2025
Address: Mafatlal Centre, 11th Floor,
Vidhan Bhavan Marg, Nariman Point,
Mumbai - 400021


Virendra Sheth
Director
DIN: 02657630
Place: Mumbai
Date: August 19, 2025
Address: Mafatlal Centre, 11th Floor,
Vidhan Bhavan Marg, Nariman
Point, Mumbai - 400021



ANNEXURE B
Form No. AOC-2

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

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

1. Details of contracts or arrangements or transactions not at arm's length basis: Nil
2. Details of material contracts or arrangement or transactions at arm's length basis :

Name(s) of the related party	Nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any (Rs. In Lakhs) (a)	Date(s) of approval by the Board, if any (b)
DSP Mutual Fund	Other group entities	Investments in units of mutual fund schemes	Ongoing	1,57,006.47	*
DSP Mutual Fund	Other group entities	Redemption of units of mutual fund schemes	Ongoing	3,00,789.36	*

*The transactions/ contracts/ arrangements were in the ordinary course of business and have been transacted at arm's length. Amount paid as advances are Nil.

For and on behalf of the Board of Directors of
DSP Finance Private Limited


Jayesh Mehta
Whole time Director & CEO
DIN: 00030636
Place: Mumbai
Date: August 19, 2025
Address: Mafatlal Centre, 11th Floor,
Vidhan Bhavan Marg, Nariman Point,
Mumbai - 400021


Virendra Sheth
Director
DIN: 02657630
Place: Mumbai
Date: August 19, 2025
Address: Mafatlal Centre, 11th Floor,
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Point, Mumbai - 400021



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The management of the Company is pleased to present the Management Discussion and Analysis Report (to the extent applicable to the Company) covering overall performance and outlook of its activities.

A. Company Overview

DSP Finance Private Limited is a part of the DSP Group, a trusted financial services franchise with a rich heritage in investment management and capital markets. The Company focuses on providing secured lending solutions across diverse customer segments, ranging from retail and emerging affluent individuals to corporate and institutional clients. Its product suite currently includes loans against financial assets, such as mutual funds, enabling customers to unlock liquidity without liquidating their investments. The Company also extends corporate and structured lending solutions to institutional clients, catering to the evolving financing needs of businesses through innovative, customized, and risk-calibrated products.

DSP Finance aims to leverage its group's strong financial expertise, technology-led processes, and governance standards to build a responsible, transparent, and customer-centric lending institution, aligned with regulatory expectations and long-term sustainable growth.

B. Macroeconomic Overview***Industry Structure and Developments***

According to the International Monetary Fund (IMF), global growth is projected at 3.0% in 2025 and 3.1% in 2026, reflecting a slight upward revision driven by factors such as front-loading ahead of tariffs, lower effective tariff rates, improved financial conditions, and fiscal expansion in some major jurisdictions. While global inflation is expected to decline, US inflation is predicted to remain above target. However, downside risks persist due to potentially higher tariffs, elevated uncertainty, and ongoing geopolitical tensions, making the restoration of confidence, predictability, and sustainability a key policy priority.

In the Indian context, the non-bank financial sector continues to evolve as a major contributor to financial intermediation. As per the Reserve Bank of India's Financial Stability Report (June 2025), Non-Banking Financial Companies (NBFCs) have demonstrated significant growth and resilience, supported by strong capital buffers, healthy interest margins, and low asset impairments. During FY 2024–25, India witnessed robust demand for retail and MSME credit, accelerated adoption of digital lending platforms, and heightened regulatory oversight following the rollout of the Scale-Based Regulation (SBR) framework. These trends underline the growing role of NBFCs in advancing credit access and financial inclusion, especially among underserved segments.

The NBFC sector plays a pivotal role in India's financial ecosystem by complementing the banking sector, especially in delivering credit to underserved and unbanked segments. The financial year 2024–25 witnessed:

- Strong demand for retail credit and MSME financing.
- Increased adoption of digital lending platforms.
- Heightened regulatory scrutiny post implementation of the SBR framework.

Business Environment

The Indian Non-Banking Financial Company (NBFC) sector continues to play a pivotal role in the country's financial system by complementing the banking sector and bridging critical credit gaps across retail, MSME, and corporate segments. NBFCs have emerged as key enablers of financial inclusion by extending credit to unserved and underserved customer segments, supporting entrepreneurship, consumption, and infrastructure development. Their agility, innovation, and customer-centric approach have allowed them to cater to diverse financing needs ranging from small-ticket retail loans to structured corporate financing solutions.

During the financial year 2024–25, the NBFC sector operated within a framework of evolving macroeconomic conditions and heightened regulatory oversight. The Reserve Bank of India (RBI) continued to refine the supervisory architecture through initiatives such as enhanced disclosure norms, risk-based internal audit requirements, strengthened operational risk management guidelines, and tighter governance and compliance expectations under the Scale-Based Regulatory Framework. The continued emphasis on responsible lending, fair practices, and digital transparency underscores the regulator's commitment to ensuring financial stability and customer protection. Despite global headwinds, the Indian economy maintained steady growth supported



by resilient domestic demand, robust capital markets, and a strong credit environment. NBFCs, as a sector, benefited from improved access to market borrowings, diversified funding sources, and increased investor confidence. Going forward, the NBFC industry is expected to remain a key driver of credit flow and economic expansion, leveraging technology, data analytics, and risk management frameworks to deliver sustainable and inclusive growth within a well-regulated financial ecosystem.

Opportunities and Threats

The NBFC sector is expected to witness a blend of challenges and growth opportunities. The drive towards digital transformation, the quest for innovative funding mechanisms, and the strategic focus on sectors that fuel economic growth will define the trajectory of the sector. The emphasis on strong risk and governance frameworks, coupled with the sector's ability to adapt to regulatory changes, will be critical in shaping a resilient and vibrant NBFC ecosystem.

The current socio political and economic environment calls for NBFCs to have a sharp focus on mitigating deterioration in asset quality which has been more pronounced in the unsecured loan segment. While the interest rate cuts and its gradual transmission should provide stimulus for economic growth and easing the burden on marginal borrowers, any further material reduction will be subject to several macro-economic factors. In such times, the NBFC industry needs to ensure adherence to strong asset liability principles and diversifying funding strategies to mitigate these risks.

- *Loan Against Mutual Funds (LAMF)*

The mutual fund (MF) industry ended fiscal 2025 with assets under management (AUM) at a record Rs. 65.74 lakh crore in March 2025 vs Rs. 53.40 lakh crore in March 2024, marking a year-on-year rise of 23.11%. The Loan Against Mutual Funds (LAMF) segment is well-positioned for growth, supported by rising retail participation in mutual funds, expanding SIP inflows, and increasing industry AUM. With growing financial literacy and preference for instant liquidity solutions, borrowers are showing strong inclination towards digital, collateral-backed products that provide quick access to funds without disturbing long-term investment goals. This trend enhances the relevance of LAMF as a convenient and customer-centric liquidity tool. Additionally, the borrower profile in this segment typically consists of financially disciplined individuals with sound creditworthiness, creating opportunities for cross-selling structured lending, wealth management, and other financial products.

The regulatory environment has also evolved positively, with the RBI's Digital Lending Guidelines fostering greater transparency in product design, disclosures, and customer communication. This has strengthened borrower confidence and created a more stable framework for business expansion. Further, strategic partnerships with asset management companies (AMCs), distributors, and fintech platforms present significant growth potential by broadening customer sourcing channels, reducing acquisition costs, and scaling volumes effectively.

- *Structured Lending*

Structured lending presents significant growth opportunities as mid-sized corporates and new-age businesses increasingly seek flexible capital solutions that go beyond conventional bank financing. The ability to design bespoke debt structures aligned with cash flows and project requirements makes structured lending a compelling proposition. In buoyant capital market conditions, demand further expands through promoter financing, acquisition funding, and bridge loans, creating attractive avenues for deployment. These products also offer superior risk-adjusted returns compared to traditional lending, thereby enhancing overall portfolio profitability.

In addition, structured lending serves segments that are often underserved by banks due to sectoral exposure limits, rigid covenants, or credit appetite constraints. This creates a niche where NBFCs can play a differentiated role by catering to genuine capital requirements of corporates. Further, the ability to recycle capital through securitization and co-lending partnerships enhances scalability without proportionate balance sheet strain. Together, these factors position structured lending as a high-growth, high-value segment within the NBFC lending ecosystem.

C. Business Performance Overview

The company's focus is tech-based lending which enables the customers to follow a seamless digital process without any manual intervention to receive loan in a very efficient manner. Post getting NBFC registration, it started its structured lending business by



financial solutions group (FSG) in September 2024 followed by tech-based lending in December 2024 and achieved AUM of Rs.1,07,700 lakhs by end March-25:

Particulars	FY25 (Rs. In lakhs)	FY24 (Rs. In lakhs)
Total Assets	1,43,000	1,37,900
Total income	13,700	10,500
Total Expense	3,600	800
PBT	10,100	9,700
Tax	3,500	0
PAT	6,600	9,700
CRAR	112%	31%

During FY 2024–25, the Company delivered a resilient performance with steady growth across key financial parameters. Total Assets increased from ₹1,37,900 lakhs in FY 2023–24 to ₹1,43,000 lakhs in FY 2024–25, registering a growth of 4%, driven by healthy expansion in the lending portfolio and prudent liquidity management. Total Income rose from ₹10,500 lakhs to ₹13,700 lakhs, marking a robust 31% year-on-year increase, primarily on account of commencement of NBFC Business and improved yield on advances vs investments in FY 2023–24.

Total Expenses increased to ₹3,600 lakhs in FY 2024–25 from ₹800 lakhs in the previous year, reflecting the scaling up of operations, higher business volumes, and associated operating costs. Profit Before Tax (PBT) remained broadly stable at ₹10,100 lakhs as compared to ₹9,700 lakhs in FY 2023–24, while Profit After Tax (PAT) stood at ₹6,600 lakhs, as against ₹9,700 lakhs in the previous year, owing to normalization of the effective tax rate during the year.

Overall, the Company maintained a healthy financial profile and continues to focus on strengthening profitability, asset quality, and operational efficiency.

D. Risk Management

a. Overall Risk Management:

The Company is committed to operating within a robust and effective risk management framework designed to proactively identify, assess, mitigate, and monitor the various risks inherent to its business as a Non-Banking Financial Company (NBFC). These risks include, but are not limited to, credit risk, market risk, liquidity risk, operational risk, fraud risk, and other emerging risks. To ensure alignment with its defined risk appetite, the Company has adopted a comprehensive Risk Management Policy. This policy establishes a strong risk culture and governance framework under the oversight of the Board of Directors, enabling the organization to manage risks in a structured and consistent manner across all functions.

The Company has an active Risk Management Committee which reviews portfolio quality risk, interest rate and liquidity risk, credit concentration risk, legal risk, regulatory & compliance risk, people risk, IT risk & their impact and mitigation thereto. Given the nature of retail exposure, collateral risk management is key to maintaining healthy portfolio quality which is ensured through robust monitoring of risk reports, constant engagement with relevant stakeholders and ensuring adherence to RBI mandated regulations. Client diversification is extremely high making it a very granular book with concentration risk on both client and collateral being very low. Corporate client portfolio is a relationship driven business which is closely tracked for performance and adherence to stipulated conditions both regulatory and from a credit risk management perspective.

b. Risk Factors

- Loan Against Mutual Funds (LAMF)

The Loan Against Mutual Funds (LAMF) business is inherently exposed to market volatility, as sudden declines in NAV can trigger margin calls, forced liquidation of collateral, and consequent borrower dissatisfaction or reputational risks. Any adverse regulatory changes by SEBI or RBI with respect to pledging of units, leverage norms, or digital lending compliance could also impact business growth and product design flexibility. Further, concentration in specific categories of funds such as mid-cap or thematic schemes elevates collateral risk during downturns, making prudent portfolio diversification and monitoring critical.

Given that LAMF offerings are largely technology-driven, operational and system risks form another key area of concern. Issues such as downtime, API integration failures with AMCs/RTAs, or data security breaches can disrupt service delivery and affect



customer trust. Additionally, limited borrower awareness of the product mechanics, especially mark-to-market obligations, may lead to mis-selling concerns, and grievances. These factors necessitate robust risk management, transparent communication, and strong governance frameworks to ensure business sustainability.

- **Structured Lending**

The Structured Lending business carries inherent credit risks, as it often caters to higher-risk borrowers or involves complex structures that demand close monitoring. Any lapse in oversight may lead to slippage, stressed assets, and elevated NPAs. Additionally, reliance on collateral such as promoter shares, real estate, or other niche assets exposes lenders to liquidity and valuation risks, particularly during periods of financial stress. Given the cyclical nature of capital markets, both the demand for structured loans and the recoverability of exposures are vulnerable to downturns, which can dampen growth momentum.

Concentration of large-ticket exposures in a limited set of corporates or sectors heightens single-borrower and sectoral risks. Any stressful events in such concentrated portfolios can have outsized financial as well as reputational consequences. These factors underscore the need for stringent credit appraisal, diversification, and governance mechanisms to sustain long-term performance in the structured lending segment.

c. **Risk Mitigants**

To mitigate these risks, the Company has adopted a multi-layered risk management framework. In the LAMF segment, robust collateral monitoring systems, automated alerts for margin calls, and prudent loan-to-value (LTV) thresholds are employed to safeguard against market volatility. Customer awareness is enhanced through clear disclosures and transparent communication on product features, obligations, and risks, thereby reducing mis-selling concerns.

On the structured lending side, rigorous credit appraisal standards, sectoral exposure caps, and continuous monitoring of borrower performance are followed to manage credit and concentration risks. Collateral is assessed not only for current valuation but also for liquidity under stress scenarios. Across both businesses, diversification of exposures, adherence to regulatory guidelines, deployment of strong technology infrastructure, and regular stress-testing of portfolios form key pillars of the Company's risk-mitigation strategy.

E. Internal Control Systems and Their Adequacy

The Company has established a robust internal control framework that is commensurate with the nature, size, and complexity of its operations. The internal control systems are designed to ensure orderly and efficient conduct of business, safeguarding of assets, accuracy and completeness of accounting records, timely preparation of reliable financial information, and compliance with applicable laws and regulations.

The Company has institutionalized a strong compliance and control of culture across all business functions, recognizing that transparency, accountability, and ethical conduct are integral to sustainable growth. The internal control environment is continuously strengthened through well-defined policies, documented procedures, segregation of duties, authorization hierarchies, and system-based checks and balances.

The management also regularly reviews the control framework and risk management systems to ensure that they are aligned with business objectives and the evolving regulatory landscape. Based on the reviews conducted during the year, the Board is of the opinion that the Company's internal control systems are adequate and operate effectively, providing reasonable assurance regarding the reliability of financial reporting, compliance with laws, and safeguarding of Company assets.

F. Regulatory Compliances

During the financial year 2024–25, DSP Finance remained committed to maintaining high standards of regulatory compliance in line with the applicable frameworks prescribed by the Reserve Bank of India (RBI) and other statutory authorities.

Key regulatory compliance actions undertaken during the year include:

- **Implementation of the Scale-Based Regulatory (SBR) Framework** along with all other relevant guidelines applicable to Middle Layer NBFCs, including:
 - Enhanced disclosure norms



- Compliance with fair lending practices and customer-centric conduct
- Outsourcing of Financial Services
- Know Your Customer (KYC) and Anti-Money Laundering (AML) practices
- Digital Lending Guidelines, including transparency, customer consent protocols, and grievance redressal
- Ongoing governance oversight, including regular review and updates of Related party transactions and Board and management disclosures in compliance with the Companies Act, 2013

The Company continues to strengthen its regulatory compliance environment through periodic reviews, policy updates, employee training, and use of technology-enabled monitoring tools. By proactively aligning its practices with the evolving regulatory landscape, DSP Finance ensures operational integrity, stakeholder confidence, and long-term sustainability. The management remains vigilant to emerging regulatory developments and is fully committed to upholding a culture of compliance, transparency, and accountability across all levels of the organization.

G. IT Related Regulatory Compliance

During the financial year 2024–25, DSP Finance remained compliant with the IT and cybersecurity regulations applicable to NBFCs, in line with directives issued by the Reserve Bank of India (RBI) and other relevant authorities. The Company has implemented robust IT governance frameworks that ensure data security, privacy, and operational resilience. Key compliance areas included adherence to RBI's guidelines on cybersecurity and cyber resilience, data protection mandates under applicable laws, and regulatory requirements for digital lending platforms.

DSP Finance has invested in advanced technology infrastructure, regular vulnerability assessments, and continuous monitoring mechanisms to safeguard customer information and prevent cyber threats. These measures collectively ensure the Company's IT environment not only meets regulatory standards but also supports secure, efficient, and trustworthy digital financial services.

H. Human Resources

The Company's success depends largely upon the quality and competence of its management team and key personnel. Attracting and retaining talented professionals is therefore a key element of the Company's strategy and a significant source of competitive advantage. As of March 31, 2025, the Company had a dedicated workforce of 32 employees, bringing with them a blend of multi-sectoral experience, technological experience, and domain knowledge.

The Company recognizes that people are its most valuable assets and continues to foster a culture of high performance and meritocracy. Multiple initiatives have been undertaken to enhance employee engagement and professional development, including focused training programs, upskilling opportunities, and robust performance management systems.

The Company is firmly committed to ensuring the highest standards of health, safety, and security for all its employees and business associates. Through proactive policies and a culture of safety consciousness, we strive to provide a secure, inclusive, and enabling work environment across all levels of the organization.

I. Outlook

The management remains optimistic about the NBFC sector's growth potential, supported by improving economic conditions and progressive regulatory measures from the RBI. Our strategic focus will be on expanding digital lending capabilities, diversifying our product portfolio, and forging strategic partnerships. At the same time, we will continue to enhance our risk management framework to ensure sustainable and resilient business growth.

J. Cautionary Statement

Certain statements in this Management Discussion and Analysis report that describe the company's objectives, projections, estimates, or future are forward-looking in nature. These statements are subject to inherent risks and uncertainties that may cause actual results to differ materially from those expressed or implied. The company undertakes no obligation to update or revise these forward-looking statements, except as required by applicable laws and regulations.



ANNUAL REPORT ON CSR ACTIVITIES

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

The Company commits to conduct its business in a responsible, fair, transparent, and ethical manner and extends its responsibility to create a meaningful social impact to the local communities by undertaking CSR activities in accordance with the applicable provisions of the Companies Act, 2013 ("Act") and rules issued thereunder

- Health & Mental Wellness: Affordable solutions for healthcare through improved access, awareness and health seeking behavior.
- Promoting Gender Equality: Encouraging female employees and treating them as equal to their male counterparts
- Education: Access to quality education, training and skill enhancement
- Environmental Sustainability: Environmental sustainability, ecological balance, conservation of natural resources
- Wildlife and Environment: Ecological balance, conserving biodiversity, protecting flora and fauna, and supporting institutions engaged in wildlife conservation through training, capacity building, and awareness programs
- Socio-economic development and relief: Relief to families of those killed in natural calamities and to the victims of major accidents and riots and providing employment opportunities to them.

Although the Company's principal corporate objectives for CSR lie in providing support to the above-mentioned areas, the Company does not intend to restrict itself. In order to improvise on areas of interest and business opportunities, the Company shall constantly monitor and evaluate business models, alongside social and environmental priorities and processes, so as to maximize the benefits derived from the CSR program.

2. Composition of the CSR Committee

During the year under review, there were no changes to the composition of the Committee. Two meetings were held during the year under review i.e. on April 29, 2024 and November 21, 2024.

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Hemendra Kothari	Chairman of CSR Committee and Board	2	2
2.	Ms. Aditi Kothari Desai	Member	2	2
3.	Mr. Virendra V. Sheth	Member	2	2
4.	Mr. Pramodprakash Chandrikaprasad Singh	Member	2	2

3. Details of the web-link where, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: **www.dspfin.com**
4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report): **Not Applicable**
5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: **NIL**

Sl. No	Financial Year	Amount available for set-off from preceding financial years (in INR Lakhs)	Amount required to be setoff for the financial year, if any (in INR Lakhs)
1	Not Applicable	-	-

6. Average Net Profit of the Company as per Section 135(5) – **INR 13,282.13 Lakhs**



7. (a) Two percent of average net profit of the company as per section 135(5): **INR 265.64 Lakhs**

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **NIL**

(c) Amount required to be set off for the financial year, if any: **NIL**

(d) Total CSR obligation for the financial year (7a+7b-7c): **INR 265.64 Lakhs**

8. (a) **CSR amount spent or unspent for the financial year:**

Total Amount Spent for the Financial Year (in INR Lakhs)	Amount Unspent (in INR Lakhs)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
265.90	-	-	-	-	-

(b) **Details of CSR amount spent against ongoing projects for the financial year: NIL**

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Project duration	Amount allocated for the project (in INR Lakhs)	Amount spent in the current financial Year (in INR Lakhs)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in INR Lakhs)	Mode of Implementation- Direct (Yes/No).	Mode of Implementation – Through Implementing Agency	
				State	District						Name	CSR Registration number.
-	-	-	-	-	-	-	-	-	-	-	-	-
	TOTAL											

(C) **Details of CSR amount spent against other than ongoing projects for the financial year:**

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Amount spent for the project (in INR Lakhs)	Mode of implementation - Direct (Yes/No).	Mode of implementation Through implementing agency.	
				State.	District.			Name.	CSR registration number.
1.	Sponsorship Education, Mumbai	(ii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	Yes	Maharashtra	Dadar	40.00	No	Muktangan Education Trust	CSR00000732



2.	Teach For India - Supporting the Fellowship Program	(ii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	Yes	Maharashtra, Tamil Nadu, Karnataka	Bangalore, Chennai & Mumbai	42.00	No	Teach To Lead	CSR00002271
3.	Tigers, forests, and Communities Project	(iv) ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water 4[including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga].	Yes	Madhya Pradesh, Maharashtra	Balaghat, Seoni	89.67	No	Wildlife Conservation Trust	CSR00003682
4.	Health of Frontline Forest staff	(iv) ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water 4[including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga].	Yes	Maharashtra, Madhya Pradesh.	1) Pench Tiger Reserve; 2) Bor Tiger Reserve; 3) Tadoba-Andhari Tiger Reserve; 4) Navegaon-Nagzira Tiger Reserve; 5) Umred Pauni Karhandla Wildlife Sanctuary	24.50	No	Wildlife Conservation Trust	CSR00003682
5.	Sponsorship of fellows	(iv) ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water 4[including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga].	Yes	Karnataka, Tamil Nadu	Sharavathi, Coonoor	3.00	No	Trust for Environmental Education (TREE)	CSR00063059
6.	SNEHA Livelihood (Kaushalya Mahila Bachat Gat) & SNEHA Shakti Centre.	(iii) promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing	Yes	Maharashtra	Mumbai	10.00	No	SNEHA (Society for Nutrition, Education and Health Action)	CSR00002137



		inequalities faced by socially and economically backward groups.							
7.	Enhancing Legal Capacities-Empowering Lawyers for Social Change	(iii) promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.	Yes	Uttar Pradesh, Uttarakhand, Jharkhand and Bihar	15 districts	12.00	No	Association for Advocacy and Legal Initiatives Trust (AALI)	CSR00004941
8.	Give4life-support economically challenged families looking for financial support.	To [(i) Eradicating hunger, poverty and malnutrition, 2["promoting health care including preventive health care"] and sanitation 4[including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation] and making available safe drinking water.	Yes	Maharashtra	Mumbai	25.00	No	Society for Rehabilitation of Crippled Children (SRCC) Hospital	CSR00003225
9.	Supporting OGQ in the pool of their support to aspiring athletes. Several athletes have qualified for upcoming Tokyo Olympics.	(vii) training to promote rural sports, nationally recognised sports, paralympic sports and olympic sports	Yes	Pan India	Pan India	10.00	No	Foundation for Promotion of Sports & Games (OGQ)	CSR00001100
	Total					256.17			

(D) Amount spent in Administrative Overheads: **INR 9.73 Lakhs**

(E) Amount spent on Impact Assessment, if applicable- **Not Applicable**

(F) Total amount spent for the Financial Year (8b+8c+8d+8e): **INR 265.90 Lakhs**

(G) Excess amount for set off, if any: **INR 0.26 Lakhs**

Sl. No.	Particular	Amount (in INR Lakhs)
(i)	Two percent of average net profit of the company as per section 135(5)	265.64
(ii)	Total amount spent for the Financial Year	265.90
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.26
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.26



9. (a) Details of Unspent CSR amount for the preceding three financial years: **Not Applicable**

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs).	Date of transfer	
-	-	-	-	-	-	-	-

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): **Not Applicable**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in Rs.)	Amount spent on the project in the reporting Financial Year (in Rs)	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project- Complete /Ongoing.
-	-	-	-	-	-	-	-	-

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details).

- Date of creation or acquisition of the capital asset(s)- Not Applicable
- Amount of CSR spent for creation or acquisition of capital asset. - Not Applicable
- Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.- Not Applicable
- Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).- Not Applicable

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): **Not Applicable**

For and on behalf of the Board of Directors of
DSP Finance Private Limited

J. S. Mehta

Jayesh Mehta
Whole time Director & CEO
DIN: 00030636
Place: Mumbai
Date: August 19, 2025
Address: Mafatlal Centre, 11th Floor,
Vidhan Bhavan Marg, Nariman Point,
Mumbai - 400021

Virendra Sheth

Virendra Sheth
Director
DIN: 02657630
Place: Mumbai
Date: August 19, 2025
Address: Mafatlal Centre, 11th Floor,
Vidhan Bhavan Marg, Nariman
Point, Mumbai - 400021



REPORT ON CORPORATE GOVERNANCE
1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

DSP Finance Private Limited ("DSP Finance" or "the Company") recognizes its role as a corporate citizen and endeavours to adopt the best practices and the highest standards of Corporate Governance through transparency in business conduct, and accountability to its customers, government and other stakeholders.

It believes that good Corporate Governance emerges from the application of the best and sound management practices and compliance with the laws. The Company places great emphasis on values such as empowerment and integrity of its employees, safety of the employees & communities, transparency in decision making process, fair & ethical dealings with all and accountability to all the stakeholders. Thus, the Company has articulated and adopted this set of internal guidelines in alignment with the Reserve Bank of India (RBI) guidelines. The Company is constantly striving to better and maintain the highest standards of corporate governance.

2. COMPOSITION OF BOARD OF DIRECTORS

The composition of the Board of your Company is in conformity with the provisions of the Companies Act, 2013 ("the Act"), as amended from time to time.

The Board of your Company comprises of 5 (Five) Directors as on March 31, 2025, the details of which, as specified in the table below:

Sl. No.	Name of Director and DIN	Director Since	Capacity (i.e. Executive/ Non-Executive/ Chairman/ Promoter/ Nominee/ Independent)	Number of Board Meetings		No. of other Directorships	Remuneration			No. of shares held in and convertible instruments held in the NBFC
				Held	Attended		Salary And other Compensations (Rs. in Lakhs)	Sitting fees (Rs. in Lakhs)	Commission (Rs. in Lakhs)	
1.	Mr. Hemendra M. Kothari (DIN: 00009873)	13-05-1996	Non-Executive and Chairman	11	10	8	-	-	-	-
2.	Mr. Jayesh Mehta (DIN: 00030636)	07-03-2024	Executive	11	11	4	300.00	-	-	-
3.	Ms. Aditi Kothari Desai (DIN: 00426799)	26-10-2017	Non-Executive	11	11	11	-	-	-	1,50,00,000
4.	Mr. Virendra Vithaldas Sheth (DIN: 02657630)	27-07-2023	Non-Executive	11	11	10	-	-	-	-
5.	Mr. Pramodprakash Chandrikaprasad Singh (DIN: 05348764)	27-07-2023	Non-Executive	11	11	14	-	-	-	-



3. **MEETING OF BOARD OF DIRECTORS**

A total of 11 (Eleven) Board Meetings were held during the Financial Year under review and the gap between two meetings did not exceed 120 (One Hundred and Twenty) days. The said meetings were held on April 29, 2024, July 29, 2024, August 22, 2024, September 28, 2024, November 21, 2024, December 17, 2024, January 09, 2025, February 10, 2025, February 28, 2025, March 17, 2025 and March 24, 2025. The necessary quorum was present for all the meetings.

4. **CHANGES IN COMPOSITION OF THE BOARD DURING FINANCIAL YEAR 2024-25 AND TILL DATE OF THIS REPORT**

The Board, as a part of its succession planning, periodically reviews its composition to ensure that the same is closely aligned with the strategy and long-term needs of the Company. The following changes in the Board composition were recommended by the Nomination and remuneration Committee ("NRC") and approved by the Board of Directors of the Company:

Sl. No.	Name of Director and DIN	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Nature of change (resignation, appointment)	Effective date
1.	Mr. Jayesh Mehta (DIN: 00030636)	Executive	Regularized and appointed as the Whole-Time Director of the Company	March 07, 2024
2.	Mr. Hemendra M. Kothari (DIN: 00009873)	Non-Executive Chairman and	Appointment as Chairman of the Company	September 28, 2024

5. **DISCLOSURE OF RELATIONSHIPS BETWEEN DIRECTORS INTER-SE**

Sl. No.	Name of the Director	Name of Relative	Nature of relation
1.	Mr. Hemendra M. Kothari	Ms. Aditi Kothari Desai	Daughter
2.	Ms. Aditi Kothari Desai	Mr. Hemendra M. Kothari	Father

6. **DETAILED REASONS FOR THE RESIGNATION OF AN INDEPENDENT DIRECTOR WHO RESIGNS BEFORE THE EXPIRY OF HIS/HER TENURE ALONG WITH CONFIRMATION BY SUCH DIRECTOR THAT THERE ARE NO OTHER MATERIAL REASONS OTHER THAN THOSE PROVIDED: NOT APPLICABLE**

7. **COMMITTEES OF THE BOARD AND THEIR COMPOSITION**

a. **AUDIT COMMITTEE**

i. **Composition, Meetings and Attendance**

Pursuant to the provisions of Section 177 of the Companies Act, 2013, as amended, read with Rule 6 of the Companies (Meetings of the Board and its Powers) Rules, 2014 (collectively referred to as the "Companies Act") and pursuant to the Master Circular – "Non-Banking Financial Companies – Corporate Governance (Reserve Bank) Directions, 2015, the Company constituted an Audit Committee at the meeting of the Board of Directors of the Company held on August 22, 2024.

During the year under review, Audit Committee met three (3) times on September 28, 2024, December 17, 2024 and February 10, 2025.



Audit Committee composition as at March 31, 2025 and attendance at the meetings held during FY 2024-25:

Sl. No.	Name of the Director	Member of the Committee since	Category	Number of Meetings of the Audit Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Mr. Hemendra M. Kothari	22/08/2024	Chairman & Non-Executive Director	3	3	NIL
2.	Mr. Jayesh Mehta	22/08/2024	Whole-Time Director & CEO	3	3	NIL
3.	Mr. Pramodprakash Chandrikaprasad Singh	22/08/2024	Non-Executive Director	3	3	NIL

ii. **Terms of reference**

- The Committee is responsible for overseeing the integrity of the Company's financial reporting, disclosures, and compliance with applicable accounting standards and regulatory requirements. It reviews financial statements, internal controls, risk management frameworks, and compliance with RBI and legal mandates. The Committee also monitors related party transactions, inter-corporate loans and investments, and oversees statutory and internal auditors to ensure independence and effectiveness of the audit process.
- Additionally, the Committee supervises the Vigil Mechanism and fraud risk management, ensuring fair investigation of reported concerns. It reviews findings from IT system audits and cybersecurity assessments and ensures timely remediation. The Committee also periodically reviews and recommends key governance and risk-related policies to the Board for approval.

b. **NOMINATION AND REMUNERATION COMMITTEE**

i. **Composition, Meetings and Attendance**

Pursuant to the provisions of section 178 of the Companies Act, 2013, as amended, read with Rule 6 of the Companies (Meetings of the Board and its Powers) Rules, 2014 (collectively referred to as the "Companies Act"), and pursuant to the Master Circular – "Non-Banking Financial Companies – Corporate Governance (Reserve Bank) Directions, 2015, the Company constituted an Audit Committee at the meeting of the Board of Directors of the Company held on August 22, 2024.

During the year under review, Nomination and Remuneration Committee met twice (2) on September 28, 2024 and November 21, 2024.

Nomination and Remuneration Committee composition as at March 31, 2025 and attendance at the meetings held during FY 2024-25:

Sl. No.	Name of the Director	Member of the Committee since	Category	Number of Meetings of the Audit Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Mr. Hemendra M. Kothari	22/08/2024	Chairman & Non-Executive Director	2	2	NIL
2.	Ms. Aditi Kothari Desai	22/08/2024	Non-Executive Director	2	2	1,50,00,000
3.	Mr. Pramodprakash Chandrikaprasad Singh	22/08/2024	Non-Executive Director	2	2	NIL



ii. **Terms of reference**

- The Committee is responsible for establishing and reviewing criteria to ensure the qualifications, independence, and fit-and-proper status of directors in line with RBI guidelines. It formulates and recommends policies on remuneration for directors, key managerial personnel, and employees, while overseeing the evaluation of the Board, its Committees, and individual directors. The Committee also identifies and recommends qualified candidates for directorship and senior management roles, ensuring a balanced mix of skills, knowledge, and experience on the Board.
- The Board, with the Committee's guidance, reviews and approves key governance policies annually, including the Director's Fit & Proper Criteria Policy, Appointment and Remuneration Policy, Succession Planning, Employee/Senior Officers/Director's Loan Policy, and Compensation and Clawback Policy to ensure robust leadership and effective succession management.

c. **RISK MANAGEMENT COMMITTEE**

i. **Composition, Meetings and Attendance**

Pursuant to the Notification issued by Reserve Bank of India, Non-Banking Financial Companies – Corporate Governance (Reserve Bank) Directions, 2015, the Board of Directors of the Company constituted an Audit Committee at the meeting of the Board of Directors of the Company held on August 22, 2024.

During the year under review, the Risk Management Committee met thrice (3) on September 10, 2024, November 21, 2024 and January 9, 2025.

Risk Management Committee composition as at March 31, 2025 and attendance at the meetings held during FY 2024-25:

Sl. No.	Name of the Director	Member of the Committee since	Category	Number of Meetings of the Audit Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Mr. Hemendra M. Kothari	22/08/2024	Chairman & Non-Executive Director	3	3	NIL
2.	Mr. Jayesh Mehta	22/08/2024	Whole-Time Director & CEO	3	3	NIL
3.	Mr. Pramodprakash Chandrikaprasad Singh	22/08/2024	Non-Executive Director	3	3	NIL

ii. **Terms of reference**

- The Risk Management Committee (RMC) is tasked with recommending the Company's Risk Management Framework for Board approval, encompassing identification, assessment, and mitigation of all material risks—including credit, market, operational, cybersecurity, and reputational risks. It oversees monitoring mechanisms, ensures compliance with loan classification policies, and promotes a prudent balance between risk and reward in business activities. The RMC provides ongoing guidance to the Chief Risk Officer (CRO), ensuring the CRO's independence and absence of conflicting responsibilities, and meets with the CRO quarterly without the presence of the MD and CEO.
- Additionally, the RMC sets the Company's risk appetite, collaborates with the Asset-Liability Committee (ALCO) and Nomination and Remuneration Committee (NRC) for risk-aligned compensation, and coordinates with other committees to avoid overlaps. It also has the authority to access relevant data and engage external experts when necessary, fulfilling any additional tasks assigned by the Board to address significant risks.



d. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

i. Composition, Meetings and Attendance

During the year under review, the Corporate Social Responsibility Committee met twice (2) on April 29, 2024, and November 21, 2024.

Corporate Social Responsibility Committee composition as at March 31, 2025 and attendance at the meetings held during FY 2024-25:

Sl. No.	Name of the Director	Member of the Committee since	Category	Number of Meetings of the Audit Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Mr. Hemendra M. Kothari	01/02/2024	Chairman & Non-Executive Director	2	2	NIL
2.	Ms. Aditi Kothari Desai	01/02/2024	Non-Executive Director	2	2	1,50,00,000
3.	Mr. Pramodprakash Chandrikaprasad Singh	01/02/2024	Non-Executive Director	2	2	NIL
4.	Mr. Virendra Vithaldas Sheth	01/02/2024	Non-Executive Director	2	2	NIL

ii. Terms of reference

- The Committee is responsible for formulating and recommending to the Board a comprehensive CSR Policy aligned with Schedule VII of the Companies Act, 2013, including guiding principles for selecting, implementing, and monitoring CSR activities. It recommends the budget for CSR initiatives, oversees their execution, and ensures compliance with applicable laws and regulations. The Committee also monitors policies related to environmental management, social responsibility, health and safety, and national sanctuaries, while identifying and reviewing ongoing projects and their impact assessments.
- Additionally, the Committee supports management in developing and reviewing sustainable growth policies that balance financial, social, environmental, and intellectual capital. The Board annually reviews and approves the Corporate Social Responsibility Policy to ensure alignment with the Company's long-term sustainability goals.

e. ASSET & LIABILITY COMMITTEE

i. Composition, Meetings and Attendance

Pursuant to the Notification issued by Reserve Bank of India, Non-Banking Financial Companies – Corporate Governance (Reserve Bank) Directions, 2015, the Company constituted an Asset & Liability Committee at the meeting of the Board of Directors of the Company held on August 22, 2024.

During the year under review, the Asset & Liability Committee met thrice (3) on September 10, 2024, November 21, 2024 and March 17, 2025.

Asset & Liability Committee composition as at March 31, 2025 and attendance at the meetings held during FY 2024-25:

Sl. No.	Name of the Director	Member of the Committee since	Category	Number of Meetings of the Audit Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Mr. Jayesh Mehta	22/08/2024	Chairman, Whole-Time Director & CEO	3	3	NIL
2.	Ms. Priya Ranjit*	22/08/2024	Member	3	3	NIL



3.	Mr. Sandeep Baid	22/08/2024	Member	3	3	NIL
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*Ms. Priya Ranjit resigned as a Member of Asset & Liability Committee with effect from June 30, 2025.

ii. **Terms of reference**

- The Asset-Liability Committee (ALCO) is responsible for strategic balance sheet planning from a risk-return perspective, focusing on managing interest rate and liquidity risks. ALCO oversees liquidity mismatches, interest rate sensitivity, and formulates the Company's interest rate strategy to align product pricing, liability maturity, and funding mixes. It manages diversified funding sources, regulatory compliance, surplus fund deployment, collateral management, stress testing, and contingency funding planning to ensure financial stability and optimal resource allocation.
- Additionally, ALCO benchmarks funding costs against peers, ensures robust management information systems for decision-making, and implements regulatory and Board directions related to asset-liability management. The Committee reviews and approves key policies annually, including Liquidity Risk Management, Asset-Liability Management, Lending Rate, and Resource Planning policies, while delegating powers to enable efficient treasury operations.

f. **IT STRATEGY COMMITTEE**

i. **Composition, Meetings and Attendance**

Pursuant to the Notification issued by Reserve Bank of India, Non-Banking Financial Companies – Corporate Governance (Reserve Bank) Directions, 2015, the Company constituted an IT Strategy Committee at the meeting of the Board of Directors of the Company held on August 22, 2024.

During the year under review, the IT Strategy Committee met thrice (3) on September 10, 2024, November 21, 2024 and March 17, 2025.

IT Strategy Committee composition as at March 31, 2025 and attendance at the meetings held during FY 2024-25:

Sl. No	Name of the Director	Member of the Committee since	Category	Number of Meetings of the Audit Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Mr. Jayesh Mehta	22/08/2024	Chairman, Whole-Time Director & CEO	3	3	NIL
2.	Mr. Pramodprakash Chandrikaprasad Singh	22/08/2024	Non-Executive Director	3	3	NIL
3.	Mr. Virendra Vithaldas Sheth	22/08/2024	Non-Executive Director	3	3	NIL

ii. **Terms of reference**

- The Committee is responsible for reviewing and recommending the IT strategic plan to ensure alignment with the company's business objectives. It monitors progress on IT initiatives and digital projects, oversees IT governance frameworks, evaluates IT investments and ROI, and reviews IT risk management strategies including cybersecurity, data privacy, and disaster recovery. The Committee also ensures business continuity plans are in place and tested regularly, tracks IT performance metrics, and assesses emerging technology trends to leverage potential benefits.
- Additionally, the Committee ensures compliance with legal and regulatory requirements, guides IT budgeting and resource allocation, and promotes effective IT and security governance across the organization. It reviews key IT policies annually, including Access Control, Change Management, IT Risk Management, and Project Management policies, to maintain robust control and accountability in IT operations.



g. IT STEERING COMMITTEE (ITSC)

i. Composition, Meetings and Attendance

Pursuant to the Master Circular issued by Reserve Bank of India on (Information Technology Governance, Risk, Controls and Assurance Practices) Directions, 2023, the Company constituted an IT Steering Committee (ITSC) at the meeting of the Board of Directors of the Company held on August 22, 2024.

During the year under review, the IT Steering Committee met thrice (3) on September 10, 2024, November 21, 2024 and March, 17, 2025.

IT Steering Committee composition as at March 31, 2025 and attendance at the meetings held during FY 2024-25:

Sl. No.	Name of the Director	Member of the Committee since	Category	Number of Meetings of the Audit Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Mr. Jayesh Mehta	22/08/2024	Chairman, Whole-Time Director & CEO	3	3	NIL
2.	Ms. Priya Ranjit*	22/08/2024	Member	3	3	NIL
3.	Mr. Sandeep Baid	22/08/2024	Member	3	3	NIL

*Ms. Priya Ranjit resigned as a Member of IT Steering Committee with effect from June 30, 2025.

ii. Terms of reference

- The Committee assists the IT Strategy Committee in IT planning, monitors IT performance, and ensures alignment of IT activities with business needs. It oversees business continuity and disaster recovery processes, ensuring they are robust and effective. The Committee also ensures the implementation of a compliant IT architecture and supervises third-party arrangements related to IT. Regular updates on the Committee's activities are provided to the IT Steering Committee and CEO.

h. INFORMATION SECURITY COMMITTEE (ISC)

i. Composition, Meetings and Attendance

Pursuant to the Master Circular issued by Reserve Bank of India on (Information Technology Governance, Risk, Controls and Assurance Practices) Directions, 2023, the Company constituted an Information Security Committee (ISC) at the meeting of the Board of Directors of the Company held on August 22, 2024.

During the year under review, the Information Security Committee met thrice (3) on September 10, 2024, November 21, 2024 and March, 17, 2025.

Information Security Committee composition as at March 31, 2025 and attendance at the meetings held during FY 2024-25:

Sl. No.	Name of the Director	Member of the Committee since	Category	Number of Meetings of the Audit Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Mr. Jayesh Mehta	22/08/2024	Chairman, Whole-Time Director & CEO	3	3	NIL
2.	Ms. Priya Ranjit*	22/08/2024	Member	3	3	NIL
3.	Mr. Sandeep Baid	22/08/2024	Member	3	3	NIL



**Ms. Priya Ranjit resigned as a Member of Information Security Committee with effect from June 30, 2025.*

ii. **Terms of reference**

- The ISC is responsible for reviewing and recommending updates to the Information Security Policy and related standards, monitoring emerging threats and security incidents, and overseeing internal and external security audits to ensure timely implementation of corrective actions. It ensures compliance with cybersecurity directives, reviews high-risk IT projects, promotes security awareness and training, and reports significant issues to the IT Steering Committee or Board. The Committee also mandates vulnerability assessments and penetration testing post-implementation, ensuring test environments closely mirror production setups.
- Additionally, the ISC develops and enforces cybersecurity policies and procedures to manage risks within the company's risk appetite, approves security projects, reviews cyber incidents, and periodically updates the IT Steering Committee and CEO. The Board annually reviews and approves key policies including Acceptable Usage, Cyber Security, Data Privacy, Cloud Security, Mobile & Teleworking, and others critical to safeguarding the company's information assets.

i. **CREDIT COMMITTEE**

i. **Composition, Meetings and Attendance**

The Company is required to constitute an Credit Committee in accordance with applicable regulatory requirements.

During the year under review, the Credit Committee met fifteen times (15) on September 26th, 2024, October 25th, 2024 November 4th, 2024, November 22nd, 2024, December 13th, 2024, December 16th, 2024, December 24th, 2024, December 27th, 2024, January 21st, 2025, February 3rd, 2025, February 5th, 2025, February 20th, 2025, March 3rd, 2025, March 21st, 2025 and March 25th, 2025.

Credit Committee composition as at March 31, 2025 and attendance at the meetings held during FY 2024-25:

Sl. No.	Name of the Director	Member of the Committee since	Category	Number of Meetings of the Audit Committee		No. of shares held in the NBFC
				Held	Attended	
1.	Mr. Hemendra Kothari	22/08/2024	Chairman	15	15	NIL
2.	Mr. Jayesh Mehta	22/08/2024	Member	15	15	NIL
3.	Mr. Sandeep Baid	22/08/2024	Member	15	15	NIL

ii. **Terms of reference**

- The Committee is responsible for reviewing and approving credit proposals, monitoring the quality and performance of the loan portfolio, and ensuring adherence to the Company's credit risk policies and regulatory guidelines. It oversees restructuring, rescheduling, settlements, and write-offs of loans as per approved frameworks, and ensures that any deviations from approved credit terms are managed in line with the authority matrix. The Committee plays a key role in maintaining prudent lending practices and safeguarding the Company's credit portfolio.

8. **SENIOR MANAGEMENT AND CHANGES THEREIN**

As on March 31, 2025, the details of Senior Management of the Company are as below

Sl. No.	Name of the Senior Officer	Designation
1.	Mr. Sandeep Baid	President of Financing Solution Group
2.	Ms. Priya Ranjit *	Chief Financial Officer
3.	Mr. Kaushal Dubey	Head of Finance
4.	Mr. Saket Pachisia	Head of Treasury



_*Ms. Priya Ranjit resigned from June 30, 2025.

Post March 31, 2025, the details of Senior Management of the Company are as below

Sl. No.	Name of the Senior Officer	Designation
1.	Mr. Nishant Kotak	Head of Legal
2.	Mr. Sachin Agarwal	Chief Risk Officer
3.	Mr. Sahib Pahwa	Chief Compliance Officer

9. GENERAL BODY MEETINGS

Details of the date, place and special resolution passed at the General Body Meetings of the Company

Sl. No.	Type of Meeting (Annual/Extra-Ordinary)	Date	Place	Special resolution passed
1.	Annual General Meeting	September 30, 2024	Mafatlal Centre, 11 th Floor, Nariman point, Mumbai – 400 021	Appointment of Mr. Jayesh Mehta (DIN: 00030636) as the Whole-Time Director of the Company.
2.	Extra-Ordinary General Meeting	December 4, 2024	Mafatlal Centre, 11 th Floor, Nariman point, Mumbai – 400 021	Alteration of Objects clause of the Memorandum of Association of the Company.

10. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Annual Report has a detailed section on Management Discussion and Analysis in this Annual Report as **Annexure C**.

11. DETAILS OF NON-COMPLIANCE WITH REQUIREMENTS OF COMPANIES ACT, 2013

During the Financial Year under review, there has been no instances of default in compliance with the requirements of the Companies Act, 2013, including with respect to compliance with accounting and secretarial standards.

12. DETAILS OF PENALTIES AND STRICTURES

During the Financial Year under review, there has been no penalty and strictures imposed by the regulators (viz., the Reserve Bank and other regulators) on the Company.

For and on behalf of the Board of Directors of
DSP Finance Private Limited



Jayesh Mehta
Whole time Director & CEO
DIN: 00030636
Place: Mumbai
Date: August 19, 2025
Address: Mafatlal Centre, 11th Floor,
Vidhan Bhavan Marg, Nariman Point,
Mumbai - 400021



Virendra Sheth
Director
DIN: 02657630
Place: Mumbai
Date: August 19, 2025
Address: Mafatlal Centre, 11th Floor,
Vidhan Bhavan Marg, Nariman
Point, Mumbai - 400021



Shah Gupta & Co.

Chartered Accountants

Independent Auditors' Report

To the Members of DSP Finance Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying Financial Statements of **DSP Finance Private Limited (Formerly known as DSP Investment Managers Private Limited)** (the "Company"), which comprise the balance sheet as at March 31, 2025, and the statement of profit and loss including the statement of other comprehensive income, the cash flow statement and the statement of changes in equity for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as the "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the "Act"), as amended, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

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

The Company's Management and Board of Directors is responsible for the other information. The other information comprises the information included in the Company's Annual Report but does not include the financial statements and our auditor's report thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained during the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Management for the Financial Statements

The Company's Board of Directors are responsible for the matters stated in sub-section (5) of Section 134 of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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



Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

Other Matter

The financial statements of the company for the year ended March 31, 2024, were audited by BSR & Co. LLP who vide their report dated July 29, 2024 expressed an unmodified opinion on those financial statements.

Our opinion on the financial statements is not modified in respect of above matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 (the "Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by sub-section (3) of Section 143 of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The balance sheet, the statement of profit and loss including other comprehensive income, the statement of cash flow and the statement of changes in equity dealt with by this report are in agreement with the books of account.



- d. In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
- e. On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of sub-section (2) of Section 164 of the Act.
- f. With respect to the adequacy of the internal financial controls with reference to Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B" to this report.
- g. The provisions of section 197 read with schedule V to the Act are applicable only to the public companies. The Company being a private company, reporting under sub-section (16) of section 197 of the Act is not applicable to the company.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule (11) of the Companies (Audit and Auditors) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company has made a provision, as required under the applicable law or Indian Accounting Standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
 - (b) The Management has represented that, to the best of its knowledge and belief, no funds (which are either material either individually or in aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and
 - (c) Based on the audit procedures that have been considered reasonable and appropriate on the circumstances, nothing has come to our notice that has caused us to believe that the representation under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
 - v. The Company has not declared and paid dividend during the year.
 - vi. As stated in note 28 to the financial statements and based on our examination which included test checks, the company, in respect of financial year commencing on April 01, 2024, has used accounting softwares for maintaining books of account which has features of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in software. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with. Furthermore, the audit trail has been preserved by the company as per the statutory requirements for record retention.

For SHAH GUPTA & CO.,
Chartered Accountants
Firm Registration No.: 109574W

Heneel K Patel

Heneel K Patel
M. No. 114103

Unique Document Identification Number (UDIN) for this document is : 25114103BMNASP6899

Place: Mumbai

Date: June 27, 2025



ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of DSP Finance Private Limited of even date

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and right-of-use assets.
- (B) The Company is maintaining proper records showing full particulars of Intangible Assets.
- (b) All Property, Plant and Equipment have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The Company does not own any immovable property (other than properties where the Company is the lessee, and the lease agreements are duly executed in favour of the lessee). Accordingly, reporting under clause 3 (i) (c) of the Order is not applicable to the Company.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2025
- (e) No proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transaction Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in the financial statements does not arise.
- (ii) (a) The Company is a Non-Banking Finance Company, engaged in the business of lending. Accordingly, it does not hold any physical inventories. Accordingly, reporting under paragraph 3 (ii) (a) of the Order is not applicable.
- (b) The Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks on the basis of security of current assets. The returns or statements comprising stock and book debt statements were not required to be filed by the Company with such banks.
- (iii) The Company has not granted loans, secured or unsecured to companies, firms, limited liability partnerships, or other parties except granting of loans to customers in the ordinary course of business in respect of which:
- (a) The Company is a non-banking financial company registered with the Reserve Bank of India engaged in the business of granting loan. Accordingly, reporting under paragraph 3 (iii) (a) of the Order is not applicable to the Company
- (b) The company is a Non-Banking Finance Company having its principal business of giving loans, the terms and conditions of the grant of such loans/advances and investment made during the year, in our opinion prima facie are not prejudicial to the company's interest. During the year, the Company has not provided securities or guarantee or granted advances in the nature of loans to companies, firms, limited liability partnerships or any other parties.
- (c) In respect of the aforesaid loans, the schedule of repayment of principal and payment of interest has been stipulated by the company and repayments are regular except for instances where there are delays or defaults in repayment of principal and/or interest. Considering that the company is a non-banking financial company engaged in the business of granting loans to individual customers, the entity wise details of amount, due date for payment and extent of delay (that has been suggested in the Guidance note on the Order issued by the Institute of Chartered of Accountants of India for reporting under this clause) have not been reported because it is not practicable to furnish such details owing to voluminous nature of data generated in the normal course of the Company's business. Further, except for the instances where there are delays or defaults in repayment of principal and/or interest and in respect of which the Company has recognised necessary provisions in accordance with the guidelines issued by The Reserve Bank of India (RBI) for Income Recognition and Asset Classification (which has been disclosed by the Company in Note 35.A and 41.19 to the financial statements), the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest.
- (d) The Company has no loans which are overdue for more than ninety days as at March 2025. Accordingly, reporting under paragraph 3 (iii) (d) of the Order is not applicable to the Company.
- (e) The Company has its principal business of giving loans. Accordingly, reporting under paragraph 3 (iii) (e) of the Order is not applicable to the Company.
- (f) The Company has not granted loans or advances in the nature of loans to Promoters/Related Parties (as defined in sub-section (76) of section 2 the Act) which are either repayable on demand or without specifying any terms or period of repayment. Details of loans repayable on demand are as follows:

Outstanding as at March 31, 2025 (Rs in lakhs)	Promoters	Related Parties	All Parties
Aggregate amount of loans/ advances in nature of loans			
- Repayable on demand (A)	-	-	37,889.33
Agreement does not specify any terms or period of repayment (B)	-	-	-
Total (A+B)	-	-	37,889.33
Percentage of loans/ advances in nature of loans to the total loans	-	-	-



- (iv) The Company has not granted any loans, made investments or provided guarantees and securities which attract the provisions of section 185 and section 186 of the Act. Accordingly, reporting under paragraph 3 (iv) of the Order is not applicable to the Company.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Act and the rules made thereunder, to the extent applicable. Accordingly, reporting under paragraph 3 (v) of the Order is not applicable to the Company.
- (vi) The Central Government of India has not specified the maintenance of cost records under sub section (1) of section 148 of the Act for any of the services rendered by the Company. Accordingly, reporting under paragraph 3 (vi) of the Order is not applicable to the Company.
- (vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it. No undisputed amounts payable in respect of these statutory dues were outstanding at the year end, for a period of more than six months from the date they became payable.
- (b) There are no dues of sales tax, wealth tax, service tax, goods and service tax, income tax, duty of excise, duty of excise, value added tax, and cess which have not been deposited on account of any dispute.
- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not raised any money by way of the term loans during the period. Accordingly, reporting under clause (ix) (c) of the Order is not applicable to the Company.
- (d) No funds raised on short-term basis have been used for long term purposes by the Company.
- (e) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its Associate. The Company does not hold any investment in any subsidiary or joint venture (as defined under the Act) during the year ended March 31, 2025.
- (f) The Company has not raised loans during the year on the pledge of securities held in associate. The Company does not hold any investment in any subsidiary and joint venture (as defined under the Act) during the year ended March 31, 2025.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under paragraph 3 (x) (a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, reporting under clause 3 (x) (b) of the Order is not applicable to the Company.
- (xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year.
- (b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under sub-clause (12) of Section 143 of the Act, in Form ADT-4, was not required to be filed. Accordingly, reporting under paragraph 3 (xi) (b) of the Order is not applicable to the Company.
- (c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, reporting under paragraph 3 (xi) (c) of the Order is not applicable to the Company.
- (xii) As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, the reporting under clause 3 (xii) of the Order is not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with sections 188 of the Act where applicable and the details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.
- (xiv) (a) The provisions of internal audit are not applicable to the Company. Accordingly, reporting under clause 3 (xiv) of the Order is not applicable to the Company.
- (b) The Company did not have an internal audit system during the period. Accordingly, the reporting under clause 3 (xiv) (b) of the Order is not applicable to the Company.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors. Accordingly, the requirement to report on paragraph 3 (xv) of the Order is not applicable to the Company.
- (xvi) (a) The Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and it has obtained certificate of registration.



- (b) The Company has conducted non-banking financial activities during the year and the Company holds a valid Certificate of Registration from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, reporting under clause 3 (xvi) (c) of the Order is not applicable to the Company.
- (d) We have been informed by the management that as at March 31, 2025 as per the definition of Group under Core Investment Companies (Reserve Bank) Directions 2016, there is no Core Investment Company (CIC) which is registered and there are no CICs which are required to be registered with the Reserve Bank of India, forming part of the promoter group.
- (xvii) The Company has not incurred cash losses during the financial year or in the immediately preceding financial year.
- (xviii) The previous statutory auditors of the Company have resigned during the year pursuant to the requirements of the Guidelines for Appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), 8CBs and NBFCs (including HFCs) dated April 27, 2021, issued by the Reserve Bank of India, and there are no issues, objections or concerns raised by the outgoing auditors.
- (xix) On the basis of the financial ratios of the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.
- (xx) (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act.
- (b) There are no unspent amounts towards Corporate Social Responsibility (CSR) on ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (6) of Section 135 of the said Act.
- (xxi) The reporting under paragraph 3 (xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For SHAH GUPTA & CO.,
Chartered Accountants
Firm Registration No.: 109574W

Heneel K Patel

Heneel K Patel
M. No. 114103

Unique Document Identification Number (UDIN) for this document is : 25114103BMNASP6899

Place: Mumbai

Date: June 27, 2025



ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of sub-section (3) of Section 143 of the Act

We have audited the internal financial controls over financial reporting of **DSP Finance Private Limited (Formerly known as DSP Investment Managers Private Limited)** ("the Company") as of March 31, 2025, in conjunction with our audit of the financial statements of the Company for the period ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting with reference to these Financial statements

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting with reference to these Financial statements

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



Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to these financial statements and such internal financial controls were operating effectively as at March 31, 2025, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For SHAH GUPTA & CO.,

Chartered Accountants

Firm Registration No.: 109574W



Heneel K Patel

M. No. 114103

Unique Document Identification Number (UDIN) for this document is : 25114103BMNASP6899

Place: Mumbai

Date: June 27, 2025

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

Balance Sheet as at 31 March, 2025

(Currency : Indian Rupees in lakhs)

Particulars	Note No.	As at 31 March, 2025	As at 31 March, 2024
ASSETS			
(I) Financial Assets			
(a) Cash and cash equivalents	3	9,123.06	34.08
(b) Bank balances other than (a) above	4	10,730.73	1,004.47
(c) Loans	5	1,07,650.28	-
(d) Investments	6	14,233.91	1,36,790.66
(e) Other financial assets	7	6.38	1.05
		1,41,744.36	1,37,830.26
(II) Non Financial Assets			
(a) Current tax assets (net)	8	310.20	-
(b) Deferred tax assets (net)	9	299.34	-
(c) Property, plant and equipment	10	52.21	0.92
(d) Right-of-use assets	10	168.24	-
(e) Other Intangible assets	10	231.43	-
(f) Other non financial assets	11	186.39	21.97
		1,247.81	22.89
Total Assets		1,42,992.17	1,37,853.15
LIABILITIES AND EQUITY			
LIABILITIES			
(I) Financial Liabilities			
(a) Payables	12		
Trade payables			
i) total outstanding dues of micro enterprises and small enterprises		2.63	-
ii) total outstanding dues of creditors other than micro enterprises and small enterprises		35.24	17.16
Other Payables			
i) total outstanding dues of micro enterprises and small enterprises		-	-
ii) total outstanding dues of creditors other than micro enterprises and small enterprises		270.00	-
(b) Lease liabilities		170.11	-
(c) Other financial liabilities	13	942.82	28.34
		1,420.80	45.50
(II) Non-Financial Liabilities			
(a) Current tax liabilities (Net)	8	-	56.09
(b) Provisions	14	170.86	4.73
(c) Deferred tax liabilities (net)	9	-	3,029.84
(d) Other non-financial liabilities	15	140.43	12.67
		311.29	3,103.33
EQUITY			
(a) Equity share capital	16	25,000.00	25,000.00
(b) Other equity	17	1,16,260.08	1,09,704.32
		1,41,260.08	1,34,704.32
Total Liabilities and Equity		1,42,992.17	1,37,853.15

Material accounting policies

2

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

As per our attached report of even date

For Shah Gupta & Co
Chartered Accountants
Firm Registration No.: 109574W

Hencel K Patel
Partner
Membership No. - 114103



Mumbai
27 June, 2025

For and on behalf of the Board of Directors of
DSP Finance Private Limited (Formerly known as DSP Investment Managers Private Limited)

Jayesh Mehta
Whole-Time Director and Chief Executive Officer
DIN: 00030636

Priya Ranjit
Chief Finance and Operations Officer

Mumbai
27 June, 2025

Virendra Sheth
Director
DIN: 02657630

Amrita Maji
Company Secretary
ACS: 51888



DSP Finance Private Limited (Formerly known as DSP Investment Managers Private Limited)
Statement of Profit and Loss for the year ended 31 March, 2025

(Currency : Indian Rupees in lakhs)

Particulars	Note No.	For the year ended 31 March, 2025	For the year ended 31 March, 2024
(I) Revenue from operations			
(a) Interest income	18	4,257.38	4.97
(b) Fees and commission income	19	1,325.00	-
(c) Net gain on fair value changes	20	8,118.64	10,514.15
Total revenue from operations		13,701.02	10,519.12
(II) Other income		-	-
(III) Total income (I + II)		13,701.02	10,519.12
(IV) Expenses			
(a) Finance costs	21	5.93	-
(b) Impairment on financial instruments	22	639.23	-
(c) Employee benefits expenses	23	1,726.05	302.49
(d) Depreciation, amortization and impairment	10	34.25	0.14
(e) Others expenses	24	1,230.21	470.23
Total expenses		3,635.67	772.86
(V) Profit before tax for the year (III - IV)		10,065.35	9,746.26
(VI) Tax Expense :	26		
(a) Current tax		6,834.39	42.01
(b) Short / (Excess) provision for earlier years		(1.72)	21.58
(c) Deferred tax		(3,327.64)	(17.37)
		3,505.03	46.22
(VII) Net Profit after tax for the year (V - VI)		6,560.32	9,700.04
(VIII) Other Comprehensive Income			
(a) Items that will not be reclassified to profit and loss			
(i) Remeasurement gains and (losses) on defined benefit obligations		(6.10)	0.14
(ii) Income tax relating to items that will not be reclassified to profit and loss		1.54	(0.04)
Total (a)		(4.56)	0.10
(b) Items that will be reclassified to profit and loss		-	-
Total (b)		-	-
Other Comprehensive income (a+b)		(4.56)	0.10
(IX) Total Comprehensive Income for the year (VII + VIII)		6,555.76	9,700.14
(X) Earnings per equity share in Rupees - Not Annualised (Face value INR 10 each)			
Basic	25	2.62	3.88
Diluted	25	2.62	3.88

Material accounting policies

2

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

As per our attached report of even date

For Shah Gupta & Co
Chartered Accountants
Firm Registration No.: 109574W

Heneel K Patel

Heneel K Patel
Partner

Membership No. - 114103



For and on behalf of the Board of Directors of
DSP Finance Private Limited (Formerly known as DSP Investment Managers Private Limited)

J. J. Mehta

Jayesh Mehta
Whole-Time Director and Chief Executive Officer
DIN: 00030636

Priya Ranjit

Priya Ranjit
Chief Finance and Operations Officer

Virendra Sheth

Virendra Sheth
Director
DIN: 02657630

Amrita Maji

Amrita Maji
Company Secretary
ACS: 51888

Mumbai
27 June, 2025

Mumbai
27 June, 2025



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

Statement of changes in equity As at 31 March, 2025

(Currency : Indian Rupees in lakhs)

A. Equity Share Capital

Particulars	As at 31 March, 2025		As at 31 March, 2024	
	Number of Shares	Amount	Number of Shares	Amount
Issued, subscribed and fully paid up equity shares outstanding at the beginning of the year	25,00,00,000	25,000.00	25,00,00,000	25,000.00
Add: Changes in equity share capital due to prior period errors	-	-	-	-
Restated balance at the beginning of the current reporting year	25,00,00,000	25,000.00	25,00,00,000	25,000.00
Add: Changes in equity share capital during the year	-	-	-	-
Issued, subscribed and fully paid up equity shares outstanding at the end of the year	25,00,00,000	25,000.00	25,00,00,000	25,000.00

B. Other Equity

Particulars	Other Equity			Total
	Reserves and Surplus		Other comprehensive income	
	Statutory reserve	Retained Earnings		
Balance As at 31 March, 2023	-	1,00,004.18	-	1,00,004.18
Changes in accounting policy/prior period errors	-	-	-	-
Restated Balance As at 31 March, 2023	-	1,00,004.18	-	1,00,004.18
Profit for the year	-	9,700.04	-	9,700.04
Other comprehensive income for the year	-	-	0.10	0.10
Balance As at 31 March, 2024	-	1,09,704.22	0.10	1,09,704.32
Changes in accounting policy/prior period errors	-	-	-	-
Restated Balance As at 31 March, 2024	-	1,09,704.22	0.10	1,09,704.32
Profit for the year	-	6,560.32	-	6,560.32
Other comprehensive income for the year	-	-	(4.56)	(4.56)
Transfer (from) / to	1,312.06	(1,312.06)	-	-
Balance As at 31 March, 2025	1,312.06	1,14,952.48	(4.46)	1,16,260.08

Material accounting policies - Refer Note 2

As per our attached report of even date

For Shah Gupta & Co
Chartered Accountants
Firm Registration No.: 109574W

Heneel K Patel

Heneel K Patel
Partner
Membership No. - 114103



Mumbai
27 June, 2025

For and on behalf of the Board of Directors of
DSP Finance Private Limited (Formerly known as DSP Investment Managers Private Limited)

J. L. Mehta

Jayesh Mehta
Whole-Time Director and Chief Executive Officer
DIN: 00030636

Virendra Sheth

Virendra Sheth
Director
DIN: 02657630

Priya Ranjan

Priya Ranjan
Chief Finance and Operations Officer

Anrita Maji

Anrita Maji
Company Secretary
ACS: 51888

Mumbai
27 June, 2025



DSP Finance Private Limited (Formerly known as DSP Investment Managers Private Limited)
Statement of cash flows for the year ended 31 March, 2025

(Currency : Indian Rupees in lakhs)

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
A Cash flow from operating activities		
Profit before tax	10,065.35	9,746.26
Adjustments for		
Depreciation and amortisation	34.25	0.14
Interest adjustments lease liabilities	4.01	-
Interest income on loans	(4,257.38)	(4.97)
Interest received	4,660.95	-
Impairment on financial assets	639.23	-
Net gain on fair value changes	(8,118.64)	(10,514.15)
Provision for compensated absences	26.10	-
Provision for gratuity	2.24	-
Operating cash flow before working capital changes	3,056.11	(772.72)
<i>Add (less): adjustments for working capital changes</i>		
Increase in loans (net)	(1,08,561.39)	-
(Decrease) / increase in other financial assets	(5.33)	75.63
Increase in other non financial assets	(164.42)	(19.12)
Increase in other bank balances	(9,726.26)	(999.50)
Increase in Payables	290.71	13.50
Increase in other financial liabilities	914.48	-
Increase in other non-financial liabilities	127.76	39.09
Cash used in operations	(1,14,068.34)	(1,663.12)
Income taxes paid (net of refunds received)	(7,198.95)	(7.46)
Net cash used in operating activities -A	(1,21,267.29)	(1,670.58)
B Cash flow from investing activities		
Purchase of property, plant and equipment, intangible assets (including asset under development)	(301.67)	(1.06)
Purchase of investments	(1,70,113.97)	-
Proceeds from sale of investments	3,00,789.36	1,695.00
Net cash generated from / (used in) investing activities - B	1,30,373.72	1,693.94
C Cash flow from financing activities		
Payment towards leases	(17.44)	-
Net cash generated from financing activities - C	(17.44)	-
Net increase / (decrease) in cash and cash equivalents (A+B+C)	9,088.99	23.36
Cash and cash equivalent as at the beginning of the year	34.08	10.72
Cash and cash equivalent as at the end of the year	9,123.07	34.08



DSP Finance Private Limited (Formerly known as DSP Investment Managers Private Limited)
Statement of cash flows for the year ended 31 March, 2025

(Currency : Indian Rupees in lakhs)

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Notes:		
i) Reconciliation of cash and cash equivalents as per the statement of cash flow		
Particulars	As at 31 March, 2025	As at 31 March, 2024
Cash and Cash Equivalents as per above comprise of the following (note 3)		
- In Current accounts	5,120.20	34.08
- In Fixed deposits	4,002.86	-
Balances as per statement of cash flow	9,123.06	34.08

ii) The above Statement of Cash Flow has been prepared under the indirect method as set out in Indian Accounting Standard - 7 " Statement of Cash flow ".

Material accounting policies

2

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

As per our attached report of even date

For Shah Gupta & Co
Chartered Accountants
Firm Registration No.: 109574W



Hencel K Patel
Partner
Membership No. - 114103



For and on behalf of the Board of Directors of
DSP Finance Private Limited (Formerly known as DSP Investment Managers Private Limited)



Jayesh Mehta
Whole-Time Director and Chief Executive Officer
DIN: 00030636



Virendra Sheth
Director
DIN: 02657630



Priya Ranjit
Chief Finance and Operations Officer



Amrita Maji
Company Secretary

Mumbai
27 June, 2025

Mumbai
27 June, 2025



1.1. CORPORATE INFORMATION

DSP Finance Private Limited (formerly known as DSP Investment Managers Private Limited) ('the Company') was incorporated in India on May 13, 1996 and has its registered office is at 11th floor, Mafatlal centre, Nariman point, Mumbai, Maharashtra, 400021. Corporate Identity Number (CIN): U64920MH1996PTC099483.

The name of the Company was changed from DSP Investment Managers Private Limited to DSP Finance Private Limited with effect from December 28, 2023.

The Company received its certificate of registration bearing number N-13.02486 from the Reserve Bank of India (RBI) on July 26, 2024 to commence/carry on the business of Non Banking Financial Company (NBFC) without accepting public deposit.

The Company is a middle layer non-deposit taking systematically important NBFC (NBFC-NDSI) as per scale based regulations.

1.2. BASIS OF PREPARATION

1.2.1. Statement of compliance

The standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Rules, 2016 and relevant provisions of the Companies Act, 2013 along with other relevant provisions of the Act, the Master Direction - Reserve Bank of India (Non-Banking Financial Company- Scale Based Regulation) Directions, 2023 and notification for Implementation of Indian Accounting Standard vide circular RBI/2019-20/170 DOR(NBFC).CC.PD.No. 109/22.10.106/2019-20 dated 13 March 2020 ('RBI Notification for Implementation of Ind AS') issued by RBI and as updated from time to time.

The standalone financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the financial years presented in the standalone financial statements.

These standalone financial statements were authorized for issue by the Company's Board of Directors on June 27, 2025.

1.2.2. Basis of measurement

The financial statements have been prepared on an accrual basis under the historical cost convention as modified by the application of fair value measurements required or allowed by the relevant standards under Ind AS except for:

- Certain financial assets and liabilities - measured at fair value
- Defined benefit plans (Employee benefit provisions) – measured at fair value

Historical cost is generally the amount of cash or cash equivalents paid, or the fair value of the consideration given in exchange for goods and services.

1.2.3. Functional and presentation currency

Amounts in the financial statements are presented in Indian Rupees in lakhs rounded off to nearest Rupee as permitted by Schedule III to the Companies Act, 2013. Per share data is presented in Indian Rupee to two decimal places.

1.2.4. Presentation of financial statements

The Balance Sheet and the Statement of profit and loss are prepared and presented in the format prescribed in the Division III to Schedule III to the Companies Act, 2013 ("the Act") applicable for NBFCs including amendment made by Ministry of Corporate Affairs (MCA) from time to time. The Statement of Cash Flows has been prepared



and presented as per the requirements of Ind AS 7 "Statement of Cash Flow". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act including amendments made thereunder, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Ind AS and RBI regulations as amended from time to time.

1.2.5. Use of estimates and judgements

The preparation of financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities (including contingent liabilities) and disclosures as of the date of the financial statements and the reported amounts of revenues and expenses for the reporting period. Actual results could differ from these estimates. Accounting estimates and underlying assumptions are reviewed on an ongoing basis and could change from period to period. Appropriate changes in estimates are recognised in the periods in which the Company becomes aware of the changes in circumstances surrounding the estimates. Any revisions to accounting estimates are recognised prospectively in the period in which the estimate is revised. The estimates and judgements that have significant impact on the carrying amount of assets and liabilities at each balance sheet date are listed here in below under Critical accounting estimates and judgements.

Judgement , estimates and assumptions are required in particular for:

i. Business model assessment

Classification and measurement of financial assets depends on the results of the solely payment of principal and interest ('SPPI') and the business model test. The Company determines the business model at a level that reflects how group of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed.

The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held.

ii. Fair value of financial instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. Judgements and estimates include considerations of liquidity and model inputs related to items such as credit risk (both own and counterparty), funding value adjustments, correlation and volatility.

iii. Effective Interest Rate (EIR) method

The Company's EIR methodology, recognises interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans taken and recognises the effect of potentially different interest rates at various stages and other characteristics of the product life cycle. This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, changes to benchmark rate and other fee income/expense that are integral parts of the instrument.



iv. Impairment of financial assets

The Company recognizes loss allowances for Expected Credit Losses (ECL) on its financial assets measured at amortized cost and Fair Value through Other Comprehensive Income (FVOCI) except investment in equity instruments classified as FVOCI. At each reporting date, the Company assesses whether the above financial assets are credit-impaired. A financial asset is 'credit-impaired' when one or more events, that have a detrimental impact on the estimated future cash flows of the financial asset, have occurred. The Company's ECL calculations are outputs of statistical models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies such as macroeconomic scenarios and collateral values.

v. Recognition and measurement of provisions and contingencies

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the reporting date. The actual outflow of resources at a future date may therefore, vary from the amount included in other provisions.

vi. Determination of estimated useful lives of property, plant and equipment

Useful lives of property, plant and equipment are based on nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.

vii. Recognition and Measurement of defined benefit obligations

- i) **Short-term employee benefits** : Short-term employee benefits in respect of salaries and wages, including non-monetary benefits are recognised as an expense at the undiscounted amount in the Statement of profit and loss for the year in which the related service is rendered.
- ii) **Defined Contribution Plan** : The Company's contribution paid/payable during the year towards Provident and other funds is charged to the Statement of profit and loss in the year in which employee renders the related service.
- iii) **Defined Benefit Plan** : The Company has an obligation towards gratuity, a non funded defined benefit plan covering eligible employees. Vesting for gratuity occurs upon completion of five years of service. Details of the unfunded defined benefit plans for its employees which is as certified by the actuary using projected unit credit method.
- iv) **Compensated Absences** : The employees of the Company are entitled to compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation using projected unit credit method for the unused entitlement that has accumulated as at the balance sheet date.

2. MATERIAL ACCOUNTING POLICIES

2.1. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

All regular way purchase or sale of financial instruments are recognised and derecognised on a trade date basis. Purchase or sale of unquoted instrument is recognised on the closing date or as and when the transaction is completed as per terms mentioned in relevant transaction agreement /document.

Financial assets

Classification

The Company classifies its financial assets in the following measurement categories;

- those to be measured at amortised cost, and



- those to be subsequently measured at either through other comprehensive income, or through profit or loss

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income.

Initial recognition and measurement

All financial assets are recognized initially at fair value including transaction fees or costs that are directly attributable and incremental to the origination/acquisition of the financial asset except in the case of financial assets recorded at FVTPL. Generally, transaction cost is treated as fair value unless priced to the contrary.

Business model assessment

The Company makes an assessment of the objective of a business model in which an asset is held such that it best reflects and is consistent with the way in which business is managed and information provided to the management. The information in conjunction with objective of business model includes:

- the objectives for the portfolio, in particular, management's strategy of focusing on earning contractual interest revenue, maintaining a particular interest rate profile;
- the frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity.
- the risks that affect the performance of the business model, the financial assets held within that business model and how those risks are managed.
- The Company monitors financial assets measured at Amortized cost that are derecognized prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held.

Based on the Company policy, it can sell financial assets out of Amortized cost business model under following scenarios:

- Such financial assets no longer meet the credit criteria in Company's Investment policy;
- Credit Risk on a financial assets has increased significantly;
- To meet liquidity needs in 'stress case scenarios';
- To fund unexpected outflow;
- Sales are infrequent or insignificant in value both individually or in aggregate
- if sales are made close to the maturity of the financial assets and the proceeds from the sales approximate the collection of the remaining contractual cash flows.

Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of assessing contractual cash flows, 'principal' is defined as the fair value of the financial asset on initial recognition.

'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as profit margin. In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the Company considers:

1. reset terms
2. contingent events that would change the amount and timing of cash flows;
3. prepayment and extension terms; and



4. features that modify consideration of the time value of money – e.g. periodical reset of interest rates.

(i) Financial assets at amortized cost

A financial asset is measured at amortized cost only if both of the following conditions are met:

1. It is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
2. The contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest (SPPI).

After initial measurement, such financial assets are subsequently measured at amortised cost using the EIR method. Amortised cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR and reported as part of interest income in the Statement of Profit and Loss. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance. The losses if any, arising from impairment are recognised in the Statement of Profit and Loss.

(ii) Financial asset at fair value through Other Comprehensive Income (FVOCI)

Financial asset with contractual cash flow characteristics that are solely payments of principal and interest (SPPI) and held in a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets are classified to be measured at FVOCI. The impairment losses, if any, on such instrument is recognized through Statement of Profit and Loss.

After initial measurement, such financial assets are subsequently measured at fair value. Subsequent changes in the carrying amount of these financial assets as a result of foreign exchange gains and losses, impairment gains or losses, and interest income calculated using the EIR method are recognised in Statement of Profit and Loss. The amounts that are recognised in Statement of Profit and Loss are the same as the amounts that would have been recognised in Statement of Profit and Loss if these financial assets had been measured at amortised cost. All other changes in the carrying amount of these financial assets are recognised in other comprehensive income. The loss allowance is recognized in 'Other Comprehensive Income' (OCI) and does not reduce the carrying value of the financial asset. On derecognition, gains and losses accumulated in OCI are reclassified to Statement of Profit and Loss.

(iii) Financial asset at fair value through profit and loss (FVTPL)

A financial asset is measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income.

Financial instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Dividend income on financial assets measured at FVTPL is included as a part of fair value changes.

(iv) Financial liabilities and equity instruments:

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either debt or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

Any contract that evidences a residual interest in the assets after deducting all of its liabilities are classified as Equity Instruments. Equity instruments issued by the Company are recognized at the proceeds received adjusted for transaction costs.



Financial liabilities

Financial liabilities are measured at fair value less transaction cost directly attributable to the issue of the financial liabilities at initial recognition and subsequently measured at amortized cost except when designated to be measured at FVTPL. Interest expense on such liabilities and any gain or loss on de-recognition are recognized in Statement of Profit and Loss.

2.2. Impairment of Financial Assets

Methodology for computation of ECL

The financial instruments covered within the scope of ECL include financial assets measured at amortized cost and FVOCI, such as loans, trade receivables, security deposit, balances with banks and other financial assets. ECL has not been determined on financial assets measured at FVTPL.

The loss allowance has been measured using lifetime ECL except for financial assets on which there has been no significant increase in credit risk since initial recognition. In such cases, loss allowance has been measured at 12 month ECL. At each reporting date, the Company assesses whether financial assets carried at amortized cost and FVOCI are credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred since initial recognition. Evidence that a financial asset is credit-impaired include observable data about the following events:

- a. significant financial difficulty of the issuer or the borrower;
- b. a breach of contract, such as a default or past due event;
- c. the Company, for economic or contractual reasons relating to the borrower's financial difficulty, has granted to the borrower a concession(s) that the Company would not otherwise consider;
- d. it is becoming probable that the borrower will enter bankruptcy or other financial re-organisation;
- e. the disappearance of an active market for that financial asset because of financial difficulties.

ECL is a probability-weighted estimate of credit losses, measured as follows:

ECL has been estimated by determining the probability of default ('PD'), exposure at default ('EAD') and loss given default ('LGD'). PD has been arrived at by estimating likelihood of borrower default using suitable macro-economic variable data and other observable inputs.

If the terms of a financial asset are renegotiated or modified or an existing financial asset is replaced with a new one due to financial difficulties of the borrower, then an assessment is made of whether the financial asset should be derecognised:

Criteria used for determination of movement from stage 1 (12 month ECL) to stage 2 (lifetime ECL) and stage 3 (Lifetime ECL)

The Company applies a three-stage approach to measure ECL on financial assets measured at amortized cost and FVOCI. The assets migrate through the following three stages based on an assessment of qualitative and quantitative considerations:

Stage 1: 12 month ECL

For exposures where there has not been a significant increase in credit risk since initial recognition and that are not credit impaired upon origination, the portion of the lifetime ECL associated with the probability of default events occurring within the next 12 months is recognized. Interest income is accrued using the EIR on the gross carrying amount.

Stage 2: Lifetime ECL (not credit impaired):

At each reporting date, the Company assesses whether there has been a significant increase in credit risk for financial assets since initial recognition. In determining whether credit risk has increased significantly



since initial recognition, the Company uses days past due (DPD) information, deterioration in internal/external ratings and other qualitative factors to assess deterioration in credit quality of a financial asset.

For credit exposures where there has been a significant increase in credit risk since initial recognition but that are not credit impaired, a lifetime ECL is recognized. Interest income is accrued using the EIR on the gross carrying amount.

Stage 3: Lifetime ECL (credit impaired):

Financial assets are assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of the asset have occurred. For financial assets that have become credit impaired, a lifetime ECL is recognized and interest revenue is calculated by applying the EIR to the amortized cost (net of loss allowance).

If, in a subsequent period, credit quality improves and previously assessed significant increase in credit risk since origination reverses, then the ECL may revert from lifetime ECL to 12-months ECL.

Method used to compute lifetime ECL:

The Company calculates ECL based on a probability-weighted scenarios to measure the expected cash shortfalls, discounted at EIR. A cash shortfall is the difference between the cash flows that are due in accordance with the contract and the present value of cash flows that the Company expects to receive. The Company applies statistical techniques to estimate 12 month ECL and lifetime ECL.

Manner in which forward looking assumptions have been incorporated in ECL estimates:

The Company considers likely default rates and adjusts it for current observable data. In addition, the Company uses reasonable forecasts of future economic conditions including expert judgement to estimate the amount of ECL. The methodology and assumptions including any forecasts of future economic conditions are periodically reviewed and changes, if any, are accounted for prospectively. The Company's ECL calculations are output of number of underlying assumptions regarding the choice of variable inputs and their interdependencies such as macroeconomic scenarios and collateral values.

2.3. Write-offs

Financial assets are written off either partially or in their entirety when there is no realistic prospect of recovery. This is generally the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to impairment on financial instruments in Statement of Profit and Loss.

2.4. Derecognition of financial assets and financial liabilities

Financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.



When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of

- (i) the consideration received (including any new asset obtained less any new liability assumed) and
- (ii) any cumulative gain or loss that had been recognised in OCI is recognised in statement of profit or loss.

Financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire.

2.5. Modifications of financial assets and financial liabilities

Financial assets

If the terms of a financial asset are modified, the Company evaluates whether the cash flows of the modified asset are substantially different. If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognized, and a new financial asset is recognized at fair value. If the cash flows of the modified asset carried at amortized cost are not substantially different, then the modification does not result in recognition of the new financial asset. In this case, the Company recalculates the gross carrying amount of the financial asset as the present value of the renegotiated or modified contractual cash flows that are discounted at the financial asset's original EIR and recognizes the amount arising from adjusting the gross carrying amount as a modification gain or loss in the Statement of Profit and Loss. Any costs or fees incurred is adjusted in the carrying amount of the modified financial asset and are amortized over the remaining term of the modified financial asset.

Financial liabilities

The Company derecognizes a financial liability when its terms are modified, and the cash flows of the modified liability are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in statement of profit or loss.

2.6. Measurement of fair values

The Company's accounting policies and disclosures require the measurement of fair values of financial instruments. Management uses its judgement in selecting an appropriate valuation technique for financial instruments not quoted in an active market. Valuation techniques commonly used by market participants are applied and observable market data is used for measuring the fair value of a financial asset or a financial liability.

Fair values are categorized into different levels in a fair value hierarchy. Fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement:

Level 1 inputs: quoted prices in active markets for identical assets or liabilities.



Level 2 inputs: observable inputs other than quoted prices included within Level 1.

Level 3 inputs: unobservable inputs for the asset or liability.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

2.7. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

2.8. Property , Plant and Equipment

Property, Plant and Equipment ("PPE") are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount only when it is probable that future economic benefits associated with the part will flow to the Company and its cost can be measured reliably. All other expenses on the existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts are charged to the statement of profit and loss for the period during which such expenses are incurred.

Any gain or loss on disposal of an item of property, plant and equipment is recognised within other income in Statement of Profit and Loss on derecognition.

Depreciation on PPE is provided on a straight-line basis to allocate their cost over the estimated useful life of the respective asset. The Company has estimated the useful lives to depreciate its PPE which is in accordance with those prescribed under Schedule II of the The Companies Act ,2013. The following are the estimates of the useful lives to depreciate its PPE:

Asset Type	Estimated useful life by the Company
Lease hold improvements	Over the lease term
Office Equipment	5 years
Computer Equipment	
- Desktop/laptop	3 years
- Server Network	6 years

Each item of PPE individually costing INR 5,000/- or less is expensed to profit and loss account. The estimated useful life of assets and depreciation method are reviewed at-least at the end of each financial year.

2.9. Leases

The Company recognises leases as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use. Contracts may contain both lease and non-lease components. The Company allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Company is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable



- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the Company under residual value guarantees
- the exercise price of a purchase option if the Company is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Company where possible, uses recent third-party financing received as a starting point, adjusted to reflect changes in financing conditions since third party financing was received.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

In addition, the right of use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurement of the lease liability.

Short term lease and leases of low value asset

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in profit and loss. Short-term leases are leases with a lease term of 12 months or less.

2.10. Intangible Assets

Intangible assets are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Development costs

Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognised as intangible assets when the following criteria are met:

- It is technically feasible to complete the software so that it will be available for use
- Management intends to complete the software and use it or sell it
- There is an ability to use or sell the software
- It can be demonstrated how the software will generate probable future economic benefits
- Adequate technical, financial and other resources to complete the development and to use or sell the software are available; and
- The expenditure attributable to the software during its development can be reliably measured



Amortisation of intangible assets

Intangible assets (computer software) are amortized on a straight line basis over a period of 5 years. Intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method are reviewed at least at each financial year end. Costs associated with maintaining software programmes are recognised as an expense as incurred.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

2.11. Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised only when:

- the Company has a present obligation (legal or constructive) as a result of a past event; and
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the amount of the obligation

Contingent liability is disclosed in following cases:

- when it is not probable that an outflow of resources will be required to settle a present obligation arising from past events; and
- when no reliable estimate is possible in case of a present obligation arising from past events.

Provisions and contingent liabilities are reviewed at each Balance Sheet date.

Contingent assets are neither recognised nor disclosed in the financial statements.

Commitments

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:

- Estimated amount of contracts remaining to be executed on capital account and not provided for
- Uncalled liability on shares and other investments partly paid
- Other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

2.12. Impairment of non-financial assets

Non-financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

2.13. Revenue recognition

Interest income

Interest income on financial assets is recognized on an accrual basis using the EIR method other than the financial assets classified as measured at FVTPL. The EIR is determined considering all contractual terms, fees received, transaction costs incurred and all other premiums or discounts. Interest revenue is



continued to be recognized at the original EIR applied on the gross carrying amount of assets falling under stages 1 and 2 as against on amortised cost net of impairment allowance for the assets falling under impairment stage 3. Any subsequent changes in the estimation of the future cash flows is recognised in interest income with the corresponding adjustment to the carrying amount of the assets.

Revenue from operations other than interest income

Dividend income is accounted on an accrual basis when the Company's right to receive the dividend is established.

Fees and commission that are not directly linked to the sourcing of financial assets are recognised at point in time in the Statement of Profit and Loss on an accrual basis when the right to receive the same is established.

Charges levied on customers for early payment/closure of loan and non-payment of instalments on the contractual date is recognised on realisation.

Other revenue is recognised when it is probable that consideration would be collected while considering the customer's ability and intention to pay when it is due.

2.14. Borrowing Cost

Borrowing costs incurred in connection with the borrowing of funds including the ancillary cost are amortised and accounted as interest expense using the EIR method.

Other borrowing costs are recognised as expense in the period in which they are incurred.

2.15. Income Tax

Income tax expense comprises of current and deferred tax. It is recognised in statement of profit or loss except to the extent that it relates to items recognised directly in equity or in OCI.

Current tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities using the tax rates and tax laws that are enacted or substantively enacted by the balance sheet date and applicable for the period.

Current tax items in correlation to the underlying transaction relating to OCI and equity are recognized in OCI and in equity respectively.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax assets are reviewed at each reporting date and based on management's judgement, are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognized deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.



Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. It is measured using tax rates enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are offset only if:

- (i) the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and
- (ii) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

2.16. Goods and Services Tax

Goods and Services Tax /Value Added Taxes paid on acquisition of assets or on incurring expenses. Expenses and assets are recognised net of the goods and services tax/value added taxes paid, except:

- When the tax incurred on purchase of assets or services is not recoverable from the taxation authority, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

2.17. Segmental reporting

The Company's operating segments are established on the basis of those components of the Company that are evaluated regularly by the Company's CEO and Managing Director (the 'Chief Operating Decision Maker' as defined in Ind AS 108 - 'Operating Segments'), in deciding how to allocate resources and in assessing performance. Accordingly, there is one business segment pertaining to lending and ancillary activities and also the business operations are concentrated in India.

2.18. Earnings per share

Basic EPS is calculated by dividing the profit or loss that is attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the reporting period. Diluted EPS is determined by adjusting the profit or loss that is attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

2.19. Cash and cash equivalents

Cash and cash equivalents comprise of cash on hand and demand deposits with banks. It also comprises of short-term deposits with an original maturity of three months or less, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.20. Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effect of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated.

2.21. Standards issued but not yet effective

There are no new standards or amendments which is issued but not yet effective.



DSP Finance Private Limited (Formerly known as DSP Investment Managers Private Limited)
Notes to the financial statements for the year ended 31 March, 2025

(Currency : Indian Rupees in lakhs)

Particulars	As at 31 March, 2025	As at 31 March, 2024
3. Cash and cash equivalents		
a) Cash on hand	-	0.19
b) Balances with Banks		
i) in current accounts	5,120.20	33.89
ii) in deposit accounts having original maturity less than 3 months*	4,002.86	-
Total	9,123.06	34.08

Note :

Short term deposits are made for period upto three months, depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit interest rates.

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior period.

* includes interest accrued amounting INR 2.86 lakh (As at 31 March, 2024 - INR 0.00 lakh).

4. Bank balances other than cash and cash equivalents

Other Bank balances

In fixed deposit accounts

- i) Fixed deposit accounts with maturity more than 3 months
- ii) Fixed deposits pledged for bank overdraft facility

Less: Impairment loss allowance

	-	1,004.47
	10,730.73	-
	10,730.73	1,004.47
	-	-
Total	10,730.73	1,004.47

includes interest accrued amounting INR 100.73 lakh (As at 31 March, 2024 - INR 4.47 lakh).



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

Notes to the financial statements for the year ended 31 March, 2025

(Currency : Indian Rupees in lakhs)

Particulars	As at 31 March, 2025	As at 31 March, 2024
5. Loans		
A. Product wise Details		
At amortised cost		
a) Term loans	62,551.88	-
b) Loan repayable on demand	37,889.33	-
At fair value through statement of profit and loss		
a) Credit substitutes^	7,716.61	-
Total (A) - Gross	1,08,157.82	-
Less: Impairment loss allowance (refer note 35)	507.54	-
Total (A) - Net	1,07,650.28	-
B. Security wise Details		
a) Secured considered good*		
i) Secured by tangible assets	84,157.82	-
ii) Secured by intangible assets	-	-
b) Unsecured	24,000.00	-
Total (B) - Gross	1,08,157.82	-
Less: Impairment loss allowance	507.54	-
Total (B) - Net	1,07,650.28	-
C. Region wise Details		
a) Loans in India		
- Public sector	-	-
- Others	1,08,157.82	-
b) Loans outside India	-	-
Total (C) - Gross	1,08,157.82	-
Less: Impairment loss allowance	507.54	-
Total (C) - Net	1,07,650.28	-

^Subscription to debentures which, in substance, is made with the intent of giving loans has been classified as credit substitutes.

*Secured loans are secured to the extent of collateral value consisting of immovable property (including leasehold rights), fixed deposits, and pledged securities, corporate guarantees of holding/ group companies, pledge of securities and also by hypothecation of cashflows and receivables, lien market of mutual fund units.

Note:

5.1 Refer note - 35 for details of Credit risk, credit risk management, credit quality and reconciliation of impairment loss allowances.

5.2 There are no loans which has been classified as Fair value through other comprehensive income.

5.3 There are no loans which are granted to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person, other than disclosed in note 32.

5.4 Impairment loss allowance does not include INR 131.69 lakhs (As at March 31, 2024 - Nil) towards loan commitments. (refer note 14).



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

Notes to the financial statements for the year ended 31 March, 2025

(Currency : Indian Rupees in lakhs)

6. Investments**At fair value through statement of profit and loss**

A. Mutual Fund Units	1,111.45	1,36,790.66
B. Preference Shares	7,512.91	-

Others*

A. Associates		
Salter Technologies Private Limited	5,609.55	-

Total - Net	14,233.91	1,36,790.66
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(i) Overseas Investments

(ii) Investments in India

	-	-
	14,233.91	1,36,790.66
Total - Gross	14,233.91	1,36,790.66

Less: Impairment loss allowance

	-	-
Total - Net	14,233.91	1,36,790.66

* Investment in associates is measured at cost in accordance with Ind AS 27.



DSP Finance Private Limited (Formerly known as DSP Investment Managers Private Limited)
Notes to the financial statements for the year ended 31 March, 2025

(Currency: Indian Rupees in lakhs)

Particulars	As at 31 March, 2025	As at 31 March, 2024
7. Other financial assets		
Unsecured, considered good		
a) Security deposits	5.96	-
b) Receivable from employees	0.42	-
Total	6.38	1.05
Less: Impairment loss allowance	-	-
Total	6.38	1.05
8. Current tax (net)		
Current tax (net)	310.20	(56.09)
Net of provision for income tax INR 7,383.78 lakh		
As at March 31, 2024 (net of advance tax INR 516.60 lakhs)		
Total	310.20	(56.09)
9. Deferred tax assets / liabilities (net)		
A. Deferred tax assets / (Deferred tax liabilities)		
a) Unrealised gain on Mutual funds units	-	(3,031.03)
b) Difference between WDV as per books and tax base	11.64	-
Total deferred tax liabilities	11.64	(3,031.03)
a) Effective interest rate (EIR) impact on loans	50.45	-
b) Provision for Gratuity	2.10	-
c) Provision for Compensated absences	7.76	1.19
d) Leases	0.47	-
e) Impairment loss allowance	116.91	-
f) Amalgamation expenses (section 35DD of the Income Tax Act, 1961)	133.29	-
Total deferred tax assets	310.98	1.19
Net deferred tax assets / (liabilities)	299.34	(3,029.84)
B. Movement in deferred taxes		

The balance comprises temporary differences attributable to the below items and corresponding movement in deferred tax:

Particulars	As at 31 March, 2024	Recognised in Statement of Profit and Loss	Recognised in Other Comprehensive Income	As at 31 March, 2025
Unrealised gain on Mutual funds units	(3,031.03)	3,031.03	-	0.00
Effective interest rate (EIR) impact on Loans	-	50.45	-	50.45
Difference between WDV as per books and tax base	-	(11.64)	-	(11.64)
Provision for Gratuity	-	0.56	1.54	2.10
Provision for Compensated absences	1.19	6.57	-	7.76
Leases	-	0.47	-	0.47
Impairment loss allowances	-	116.91	-	116.91
Amalgamation expenses (section 35DD of the Income Tax Act, 1961)	-	133.29	-	133.29
Total	(3,029.84)	3,327.65	1.54	299.34

Particulars	As at 31 March, 2023	Recognised in Statement of Profit and Loss	Recognised in Other Comprehensive Income	As at 31 March, 2024
Unrealised gain on Mutual fund units	(3,047.28)	16.25	-	(3,031.03)
Provision for Gratuity	0.02	0.02	(0.04)	-
Provision for Compensated absences	0.09	1.10	-	1.19
Total	(3,047.17)	17.37	(0.04)	(3,029.84)



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

Notes to the financial statements for the year ended 31 March, 2025

(Currency : Indian Rupees in lakhs)

10. Property, Plant and Equipment, Right-of-use assets & Intangible assets

Particulars	Property, Plant and Equipment			Right-of-use assets (refer note 29)		Other Intangible assets	
	Computer Hardware	Office Equipment	Total	Premises	Total	Software	Total
A. Gross carrying amount							
Balance at March 31, 2023	-	-	-	-	-	-	-
Addition	1.06	-	1.06	-	-	-	-
Disposal	-	-	-	-	-	-	-
Balance at 31 March, 2024	1.06	-	1.06	-	-	-	-
Addition	32.56	23.31	55.87	183.54	183.54	245.80	245.80
Disposal	-	-	-	-	-	-	-
Balance at 31 March, 2025	33.62	23.31	56.93	183.54	183.54	245.80	245.80
B. Accumulated Depreciation / amortisation							
Balance at March 31, 2023	-	-	-	-	-	-	-
Depreciation / Amortisation expense	0.14	-	0.14	-	-	-	-
Disposal	-	-	-	-	-	-	-
Balance at 31 March, 2024	0.14	-	0.14	-	-	-	-
Depreciation / Amortisation expense	3.64	0.94	4.58	15.30	15.30	14.37	14.37
Disposal	-	-	-	-	-	-	-
Balance at 31 March, 2025	3.78	0.94	4.72	15.30	15.30	14.37	14.37
C. Net carrying amount (A-B)							
As at 31 March, 2024	0.92	-	0.92	-	-	-	-
As at 31 March, 2025	29.84	22.37	52.21	168.24	168.24	231.43	231.43
D. Depreciation and Amortisations for the year							
	For the year ended 31 March, 2025	For the year ended 31 March, 2024					
a) Depreciation on property, plant and equipments	4.58	0.14					
b) Depreciation on right-of-use assets (refer note 29)	15.30	-					
c) Amortisation on intangible assets	14.37	-					
Total	34.25	0.14					



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

Notes to the financial statements for the year ended 31 March, 2025

(Currency : Indian Rupees in lakhs)

Particulars	As at 31 March, 2025	As at 31 March, 2024
11. Other non financial assets		
Unsecured, considered good		
a) Prepaid expenses	160.29	2.85
b) Balances with statutory authorities	-	19.12
c) Others	26.10	-
Total	186.39	21.97
12. Payables		
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	2.63	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	35.24	17.16
Total	37.87	17.16
Other payables		
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	270.00	-
Total	270.00	-
a) Dues to Micro, Small Enterprises		
Outstanding principal amount and interest due to suppliers registered under MSMED Act and remaining unpaid at the year end:		
- Principal amount	2.63	-
- Interest due thereon	-	-
Interest paid other than under section 16 of MSMED Act, to suppliers registered under MSMED Act, beyond the appointed day during the period	-	-
Interest paid under section 16 of MSMED Act, to suppliers registered under MSMED Act, beyond the appointed day during the period.	-	-
Amount of interest due and payable (where the principal has already been paid but interest has not been paid).	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
The amount of further interest remaining due and payable even in succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act.	-	-
b) Ageing schedule of payables		
There are no payables having ageing more than 6 months as on March 31, 2025 and March 31, 2024.		
13. Other financial liabilities		
Advances received from customers	0.03	-
Provision for expenses	942.79	28.34
Total	942.82	28.34
14. Provisions		
Provision for Employee Benefits		
i) Gratuity (Refer Note 33.B)	8.34	-
ii) Compensated absences	30.83	4.73
Expected credit loss on undisbursed commitments	131.69	-
Total	170.86	4.73
15. Other non-financial liabilities		
Income received in advance*	20.00	-
Statutory dues payable	120.43	12.67
Total	140.43	12.67

* This amount pertains to income received on sanctioned loans pending disbursements, which is currently not forming integral part of the financial assets - loans and not getting amortized as per effective interest rate method.



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

Notes to the financial statements for the year ended 31 March, 2025

(Currency : Indian Rupees in lakhs)

16. Equity share capital**a) Share capital authorised, issued, subscribed and paid up**

Particulars	As at 31 March, 2025		As at 31 March, 2024	
	No. of shares	Amount	No. of shares	Amount
Authorised:				
Equity Shares of INR 10 each	50,00,00,000	50,000.00	50,00,00,000	50,000.00
	50,00,00,000	50,000.00	50,00,00,000	50,000.00
Issued, Subscribed and fully paid up:				
Equity Shares of INR 10 each	25,00,00,000	25,000.00	25,00,00,000	25,000.00
	25,00,00,000	25,000.00	25,00,00,000	25,000.00

b) Reconciliations of the number of shares and share capital

Issued, Subscribed and fully paid up:				
Outstanding at the beginning of year	25,00,00,000	25,000.00	25,00,00,000	25,000.00
Add: Shares issued during the year	-	-	-	-
Outstanding at the end of the year	25,00,00,000	25,000.00	25,00,00,000	25,000.00

c) Shareholder holding more than 5% shares as at the end of the year :

Name of Shareholders	As at 31 March, 2025		As at 31 March, 2024	
	No. of shares	% Holding	No. of shares	% Holding
Equity Shares				
DSP ADIKO Holdings Pvt. Ltd.	13,50,00,000	54.00%	13,50,00,000	54.00%
DSP HMK Holdings Pvt. Ltd.	8,50,00,000	34.00%	8,50,00,000	34.00%
Ms. Aditi Kothari Desai	1,50,00,000	6.00%	1,50,00,000	6.00%
Ms. Shuchi Kothari	1,50,00,000	6.00%	1,50,00,000	6.00%

There has been no change in the shareholding during the year or the previous year.

d) Details of shares held by Holding Company

Name of Shareholders	As at 31 March, 2025		As at 31 March, 2024	
	No. of shares	% Holding	No. of shares	% Holding
DSP ADIKO Holdings Pvt. Ltd.	13,50,00,000	54.00%	13,50,00,000	54.00%

e) Terms/rights attached to equity shares:

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. Holders are entitled to dividend, if proposed by the Board of Directors and approved by shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

f) Change in Authorised Share Capital

There has been no change in authorised share capital during current and previous financial year.

g) Aggregate number of equity shares issued for consideration other than cash during the period of five years immediately preceding the reporting date: Nil

h) Aggregate number and class of share allotted as fully paid up by way of bonus shares during the period of five years immediately preceding the reporting date: Nil

i) Aggregate number and class of shares bought back during the period of five years immediately preceding the reporting date: Nil

j) Dividend Payment

No dividend is paid during the year or recommended by the Board of Directors for the year ended as on March 31, 2025. (Previous year- Nil)

k) No shares have been reserved to be issued under the Employee Stock Option Plan.



DSP Finance Private Limited (Formerly known as DSP Investment Managers Private Limited)
Notes to the financial statements for the year ended 31 March, 2025

(Currency : Indian Rupees in lakhs)

Particulars	As at 31 March, 2025	As at 31 March, 2024
17. Other equity		
a) Statutory reserve	1,312.06	-
b) Retained earnings	1,14,952.48	1,09,704.22
c) Other comprehensive income	(4.46)	0.10
Total	1,16,260.08	1,09,704.32
A. Nature and purpose of reserves		
a. Statutory reserve		
Statutory Reserve: As per Section 45-IC of the Reserve Bank of India Act, 1934 ("The RBI Act"), the Company is transferring an amount of 20% of its net profits to a Reserve Fund before declaring any dividend.		
b. Retained Earnings		
Retained earnings comprise of the Company's undistributed earnings after taxes.		
c. Other Comprehensive income		
It represents the gain / loss on account of actuarial valuation of defined benefit obligation.		
B. Movement in Other equity		
a) Statutory reserve		
Opening balance	-	-
Add : Transfer from retained earnings*	1,312.06	-
Closing Balance	(a) 1,312.06	-
b) Retained Earnings		
Opening balance	1,09,704.22	1,00,004.18
Add: Profit for the year	6,560.32	9,700.04
Add: Trf from Employee stock options	-	-
Amount available for appropriation	1,16,264.54	1,09,704.22
Appropriations:		
Transfer to statutory reserve*	1,312.06	-
Closing Balance	(b) 1,14,952.48	1,09,704.22
c) Other comprehensive income		
Opening balance	0.10	-
Add: Remeasurement gains and (losses) on defined benefit obligations	(4.56)	0.10
Closing Balance	(c) (4.46)	0.10
(a+b+c)	1,16,260.08	1,09,704.32

* - Computed as 20% of net profit for the year.



DSP Finance Private Limited (Formerly known as DSP Investment Managers Private Limited)**Notes to the financial statements for the year ended 31 March, 2025**

(Currency : Indian Rupees in lakhs)

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
18. Interest income		
A On financial assets measured at amortised cost		
Interest on loans	3,067.26	-
Interest on deposits with banks	211.10	4.97
B On financial assets measured at fair value through statement of profit and loss		
Interest on loans	966.11	-
C Interest income - Investments	12.91	-
Total	4,257.38	4.97
19. Fees and commission income		
Foreclosure charges	70.00	-
Servicing and advisory fees	1,255.00	-
Total	1,325.00	-
Geographical Markets		
India	1,325.00	-
Outside India	-	-
Total	1,325.00	-
Timing of revenue recognition		
Services transferred at a point in time	1,325.00	-
Services transferred over time	-	-
Total	1,325.00	-
20. Net gain on fair value changes		
Net gain on financial instruments at fair value through profit or loss		
Investments	8,162.36	10,514.15
Term loans	(43.72)	-
Total	8,118.64	10,514.15
Fair value changes:		
Realised	41,930.05	159.67
Unrealised	(33,811.41)	10,354.48
Total	8,118.64	10,514.15



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

Notes to the financial statements for the year ended 31 March, 2025

(Currency : Indian Rupees in lakhs)

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
21. Finance costs		
On Financial liabilities measured at amortised cost		
a) Interest on borrowings	1.92	-
b) Interest - lease liabilities (refer note 29)	4.01	-
Total	5.93	-
22. Impairment on financial instruments		
Impairment loss allowance		
i) On Financial instruments measured at amortised cost		
a) Loans	507.54	-
b) Undrawn commitments	131.69	-
ii) Write off of loans*	-	-
Total	639.23	-
*No loans have been written off for the year ended March 31, 2025 and March 31, 2024		
23. Employee benefits expenses		
a) Salaries, bonus and allowances	1,658.02	294.68
b) Contribution to provident and other funds	21.61	1.88
c) Gratuity expense (Refer Note - 33)	2.24	0.08
d) Compensated absences (Refer Note - 33)	26.09	4.38
e) Staff welfare	18.09	1.47
Total	1,726.05	302.49
24. Other expenses		
a) Advertisement and publicity	1.07	-
b) Auditor's fees and expenses (Refer note 24.1 below)	15.25	7.69
d) Communication cost /IT expenses	125.47	0.58
f) Expenditure towards corporate social responsibility (Refer note 24.2 below)	265.91	446.66
g) Legal and professional fees	709.31	11.30
j) Rates, duties and taxes	0.09	0.09
k) Rent	29.14	1.98
l) Repairs and maintenance	5.18	0.39
m) Travelling and conveyance	13.42	0.06
n) Miscellaneous expenses	65.37	1.48
Total	1,230.21	470.23
24.1 Auditors' fees and expenses		
Payments to auditor*		
a) Statutory audit	11.00	5.93
b) Certification	1.50	1.76
c) Other services	2.75	-
Total	15.25	7.69

*Excluding Goods and Service Tax.



DSP Finance Private Limited (Formerly known as DSP Investment Managers Private Limited)
Notes to the financial statements for the year ended 31 March, 2025

(Currency : Indian Rupees in lakhs)

Particulars

**For the year ended
31 March, 2025**

**For the year ended
31 March, 2024**

24.2 Expenditure on Corporate Social Responsibility

Details of Corporate Social Responsibility (CSR) expenditure :

(a) Gross amount required to be spent by the company during the year	265.64	446.00
(b) Amount spent by the Company during the year on:		
(i) Construction/ acquisition of any asset	-	-
(ii) On purpose other than (i) above	265.91	446.66
(c) Surplus arising out of CSR projects or programs or activities of previous financial years	(1.19)	(0.53)
(d) Amount available for set off in succeeding Financial years	(1.46)	(1.19)
(e) Shortfall at the end of the year	-	-

Nature of CSR activities include promoting education, Wildlife conservation, Environment, Adolescence & Women empowerment.

The company do not intends to carry forward excess amount spent of FY 2024-25 to subsequent financial years and accordingly no assets are created for excess amount spent.

25. Earnings per Share

a) Profit after tax attributable to equity shareholders	6,560.32	9,700.04
b) Weighted average no. of equity shares outstanding during the year	25,00,00,000	25,00,00,000
c) Nominal value of equity shares (INR per share)	10.00	10.00
d) Basic and diluted earnings per share (EPS) (INR per share)	2.62	3.88



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

Notes to the financial statements for the year ended 31 March, 2025

(Currency : Indian Rupees in lakhs)

26. Disclosure pursuant to Ind AS 12 "Income Taxes"**26.1 The components of income tax expense for the years ended March 31, 2025 and March 31, 2024 are:**

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
I. Profit and Loss section		
Current tax:		
Current tax on profits for the year	6,834.39	42.01
Adjustment for current tax of earlier periods	(1.72)	21.58
Deferred tax:		
Increase / (decrease) in deferred tax liabilities	(3,327.64)	(17.37)
Income tax expense	3,505.03	46.22
II. Other Comprehensive Income (OCI) section:		
Income tax gain relating to items that will not be reclassified to profit and loss	(1.54)	0.04
Income tax expense reported in the OCI section	(1.54)	0.04

26.2 Reconciliation of tax expense and the accounting profit

The tax charge shown in the statement of profit and loss differs from the tax charge that would apply if all profits had been charged at India corporate tax rate. A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the years ended March 31, 2025 and March 31, 2024 is, as follows:

Accounting profit before tax	10,065.35	9,746.26
Tax at India's statutory income tax rate of 25.17% (preceding year 25.17%)	2,533.25	2,452.94
Tax effect of the amount which are not taxable:		
Long term gains taxed at different rate	(4,924.83)	(2,622.91)
Expenses not deductible for tax purposes	68.99	194.60
Effect of reversal of opening deferred tax asset/ liability	5,827.56	-
Tax expense recognised for earlier year	(1.72)	21.58
Others	0.05	-
Income tax expense at effective tax rate	3,503.30	46.22
Income tax expense reported in the OCI section	1.54	0.04
Total Income tax expense	3,504.84	46.26
Effective tax rate	34.82%	0.47%

27. Contingent liabilities and commitments

Particulars	As at 31 March, 2025	As at 31 March, 2024
A. Commitments		
(i) Loans sanctioned not yet disbursed	6,500.00	-
B. Litigations pending against the Company	-	-

28. In compliance with Section 128 of the Companies Act, 2013 read with proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014, the Company uses an accounting software and loan management software for maintaining its books of accounts which has a feature of recording audit trail (edit log) which has operated throughout the year for all relevant transactions. There were no instances of the audit trail feature being tampered with in relation to these softwares. Also, the audit trail has been preserved by the Company as per the statutory requirements for record retention.



DSP Finance Private Limited (Formerly known as DSP Investment Managers Private Limited)**Notes to the financial statements for the year ended 31 March, 2025**

(Currency : Indian Rupees in lakhs)

29. Leases

The Company has lease arrangements for office premise. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as right-of-use (ROU) asset and lease liability. Lease liabilities are measured at the present value of the remaining lease payments, discounted using the incremental borrowing rate.

(i) Amount recognised in balance sheet

	As at 31 March, 2025	As at 31 March, 2024
a) Right-of-use assets	168.24	-
b) Lease Liabilities	170.11	-
Opening Balance	-	-
Add: Lease liabilities recognised during the year	177.73	-
Less: Lease liabilities written back during the year	-	-
Add: Interest accrued on lease liabilities	4.01	-
Less: Lease payments	(11.63)	-
Closing Balance of Lease Liabilities	170.11	-

(ii) Lease liabilities and lease cash flows

Maturity analysis - contractual undiscounted cash flows

Less than one year	69.75	-
One to five years	122.07	-
More than five years	-	-
Total undiscounted lease liabilities	191.82	-

(iii) Amount recognised in Statement of Profit and Loss

	For the year ended 31 March, 2025	For the year ended 31 March, 2024
(a) Depreciation charge of right-of-use assets (included in Depreciation note - 10)	15.30	-
(b) Interest expense (included in finance costs)	4.01	-
(c) Expense relating to short-term leases (excluding gst)	26.03	-
Total	45.34	-

30. Segment Reporting

The Company is primarily engaged in business of lending and its ancillary activities in India. The Company operates in single segment only and there are no separate reportable segments as per Ind AS 108 on "Operating Segments" in respect of the Company.

Customer contributing more than 10% of Revenue

MGM Consulting Private Limited

	2,017.04	-
Total	2,017.04	-

31. Events after reporting date

There have been no events after the reporting date that require adjustment/disclosure in these financial statements.



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

Notes to the financial statements for the year ended 31 March, 2025

(Currency : Indian Rupees in lakhs)

32. Related Party Disclosure**A List of related parties:**

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

Significant Holding:	Type of Relationship	Country of incorporation	Ownership interest	
			March 31, 2025	March 31, 2024
DSP ADIKO Holdings Pvt. Ltd	Holding Company	India	54.00%	54.00%
DSP HMK Holdings Pvt. Ltd.	Company having significant influence	India	34.00%	34.00%

(ii) Associates of the Company

Salter Technologies Private Limited (w.e.f. February 28, 2025)

The Company has entered into an agreement with its associate company to act as a lending service provider (LSP) and technology service provider (TSP).

(iii) Key Management Personnel

Mr. Jayesh Mehta	Whole-Time Director, Vice Chairman and Chief Executive Officer (w.e.f. March 7, 2024)
Mr. Prashant Kumar	Chief Executive Officer (w.e.f. August 21, 2023 to December 12, 2023)
Mrs. Priya Ranjit	Chief Finance and Operating Officer
Ms. Amrita Maji	Company Secretary (w.e.f. Feb 01, 2024)
Mr. Hemendra Kothari	Director
Mr. Hemendra Kothari	Chairman (w.e.f. September 28, 2024)
Ms. Aditi Kothari Desai	Non-executive Director
Mr. Virendra Sheth	Director (w.e.f. July 27, 2023)
Mr. Pramodprakash Singh	Director (w.e.f. July 27, 2023)
Mr. Kalpen Parekh	Director (Resigned w.e.f. April 30, 2023)

(iv) Enterprise in which key management personnel can exercise significant influence, where transaction exist.

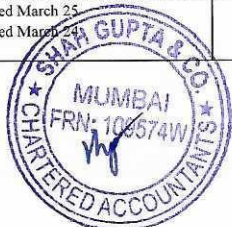
DSP Investment Pvt. Ltd.
Wildlife Conservation Trust
Reclamation Realty (India) Pvt. Ltd.

(v) Other group entities

DSP Mutual Fund

B Transactions with Related parties during the year

No.	Nature of Transaction	Enterprise in which key management personnel and their relatives can exercise significant influence	Other group entities	Key Management Personnel	Associate of the company	Total
1	Remuneration (Refer note f below)					
	For the year ended March 25	-	-	454.00	-	454.00
	For the year ended March 24	-	-	242.81	-	242.81
2	CSR (Refer note a below)					
	For the year ended March 25	114.17	-	-	-	114.17
	For the year ended March 24	251.17	-	-	-	251.17
3	Rent & Common Area Maintenance Paid (Refer note b below)					
	For the year ended March 25	45.56	-	-	-	45.56
	For the year ended March 24	2.19	-	-	-	2.19
4	Reimbursement (Refer note c below)					
	For the year ended March 25	-	-	7.47	0.33	7.80
	For the year ended March 24	1.25	-	-	-	1.25
5	LSP fees					
	For the year ended March 25	-	-	-	14.71	14.71
	For the year ended March 24	-	-	-	-	-
6	Purchase of shares					
	For the year ended March 25	-	-	-	5,599.92	5,599.92
	For the year ended March 24	-	-	-	-	-
7	AMC and software charges					
	For the year ended March 25	-	-	-	14.09	14.09
	For the year ended March 24	-	-	-	-	-
8	Investment in units of mutual fund schemes					
	For the year ended March 25	-	1,57,006.47	-	-	1,57,006.47
	For the year ended March 24	-	-	-	-	-
9	Redemption of units of mutual fund schemes					
	For the year ended March 25	-	3,00,789.36	-	-	3,00,789.36
	For the year ended March 24	-	1,695.00	-	-	1,695.00
10	Dividend on units of mutual fund schemes					
	For the year ended March 25	-	66.60	-	-	66.60
	For the year ended March 24	-	70.00	-	-	70.00
11	Dividend received on units of mutual fund schemes					
	For the year ended March 25	-	67.65	-	-	67.65
	For the year ended March 24	-	68.95	-	-	68.95



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

Notes to the financial statements for the year ended 31 March, 2025

(Currency : Indian Rupees in lakhs)

C Outstanding balances

No.	Nature of Transaction	Enterprise in which key management personnel and their relatives can exercise significant influence	Other group entities	Key Management Personnel	Associate of the company	Total
1	Investments in units of mutual fund schemes					
	As at 31st March 25		1,111.45	-	-	1,111.45
	As at 31st March 24		1,36,790.66	-	-	1,36,790.66
2	Other payables					
	As at 31st March 25	-	-	-	-	-
	As at 31st March 24	1.03	-	-	-	1.03
3	Investment					
	As at 31st March 25	-	-	-	5,599.92	5,599.92
	As at 31st March 24	-	-	-	-	-
4	Dividend receivable					
	As at 31st March 25	-	-	-	-	-
	As at 31st March 24	-	1.05	-	-	1.05
5	Charges payable					
	As at 31st March 25	-	-	-	13.76	13.76
	As at 31st March 24	-	-	-	-	-
6	Fees payable					
	As at 31st March 25	-	-	-	14.71	14.71
	As at 31st March 24	-	-	-	-	-

Notes

No.	Nature of Transaction	Year ended March 31, 2025	Year ended March 31, 2024
(a)	Corporate Social Responsibility (CSR expense)		
	Wildlife Conservation Trust	114.17	251.17
(b)	Rent & Common Area Maintenance Paid		
	Reclamation Realty (India) Pvt. Ltd.	45.56	2.19
(c)	Reimbursement		
	Employee reimbursement	7.47	-
	Salter Technologies Private Limited	0.33	-
	Reclamation Realty (India) Pvt. Ltd.	-	0.22
	DSP Investment Pvt. Ltd.	-	1.03

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

(e) The transactions with related parties are made in the normal course of business and on terms equivalent to those that prevail in arm's length.

(f) Compensation of key managerial personnel

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

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Remuneration	433.19	208.35
Post-employment benefits	20.81	2.88



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

Notes to the financial statements for the year ended 31 March, 2025

(Currency : Indian Rupees in lakhs)

33. Employee benefits - Disclosure pursuant to Ind AS 19 'Employee Benefits'**A. Defined contribution plans**

The Company makes Provident fund contributions which are defined contribution plans for qualifying employees. Under the scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits.

The Company has recognised the following amounts in the statement of profit and loss towards contribution to defined contribution plans which are included under contribution to provident and other funds:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Provident fund	21.61	1.88

B. Defined Benefit Plan

I The Company has an obligation towards gratuity, a non funded defined benefit plan covering eligible employees. Vesting for gratuity occurs upon completion of five years of service. Details of the unfunded post retirement benefit plans for its employees are given below which is as certified by the actuary.

Gratuity Disclosure Statement as Per Indian Accounting Standard 19 (Ind AS 19) as below.

a) Changes in Present Value of Defined Benefit Obligation

	For the year ended March 31, 2025	For the year ended March 31, 2024
Present Value of Benefit Obligation at the Beginning of the year	-	0.06
Current Service Cost	2.24	0.07
Interest Expense	-	-
Past service cost	-	-
Total Amount Recognised in Statement of Profit and Loss	2.24	0.07
Actuarial (Gain)/loss from change in demographic assumptions	-	-
Actuarial (Gain)/loss from change in financial assumptions	2.05	-
Experience (gains)/losses	4.05	(0.14)
Total Amount Recognised in Other Comprehensive Income	6.10	(0.14)
Present Value of Benefit Obligation at the End of the year	8.34	-

Change in plan assets:**Fair value of plan assets, beginning of the year**

Expected return on Plan Assets	-	-
Contributions	-	-
Benefits paid	-	-
Actuarial Gain (loss) on plan assets	-	-

Fair value of plan assets, end of the year

-	-
---	---

b) Amount recognized in the balance sheet consists of:

	As at 31 March, 2025	As at 31 March, 2024
Present value of defined benefit obligation	8.34	-
Fair value of plan assets	-	-
Net liability	8.34	-

c) The amounts recognised in the Statement of Profit and Loss are as follows:

		For the year ended March 31, 2025	For the year ended March 31, 2024
Service Cost			
Current service cost		2.24	0.07
Past service cost		-	-
Total Service cost	(i)	2.24	0.07
Net interest cost			
Interest expense on DBO		-	-
Interest expense / (income) on plan assets		-	-
Total Interest cost	(ii)	-	-
Defined benefit cost included in Statement of Profit and Loss	(iii) = (i + ii)	2.24	0.07
Total remeasurement in other comprehensive income (OCI)	(iv)	6.10	(0.14)
Total Defined benefit cost included in Statement of Profit and loss and OCI	(v) = (iii + iv)	8.34	(0.07)



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33. Employee benefits - Disclosure pursuant to Ind AS 19 'Employee Benefits' (continued)**d) The principal assumptions used in determining gratuity obligations for the Company's plans are shown below**

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans and post retirement medical benefits at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

Particulars	As at 31 March, 2025	As at 31 March, 2024
Discount rate	6.55%	7.15%
Rate of Salary Increase next year	10.00%	8.00%

e) The major categories of plan assets are as follows:

Particulars	As at 31 March, 2025	As at 31 March, 2024
i) Insurer managed funds	-	-
ii) Cash	-	-

f) Impact on defined benefit obligation - Sensitivity Analysis

	Year Ended 31 March,			
	2025 % Rate	2025 Amount	2024 % Rate	2024 Amount
Increase by 50 basis points				
i) Impact of change in discount rate	-5.45%	7.89	-	-
ii) Impact of change in salary growth rate	5.63%	8.81	-	-
Decrease by 50 basis points				
i) Impact of change in discount rate	5.84%	8.83	-	-
ii) Impact of change in salary growth rate	-5.30%	7.90	-	-

These sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. There have been no changes from the previous periods in the methods and assumptions used in preparing the sensitivity analyses.

g) Maturity

The defined benefit obligations shall mature after year end as follows:

Particulars	As at 31 March, 2025	As at 31 March, 2024
i) 1st Following Year	0.02	-
ii) 2nd Following Year	0.02	-
iii) 3rd Following Year	0.03	-
iv) 4th Following Year	0.12	-
v) 5th Following Year	0.29	-
vi) Sum of Years 6 to 9th year	6.53	-
vii) Sum of Years 10 and above	11.84	-

The weighted average duration of the defined benefit obligation is 11.28 years.

h) Risk Exposure

Gratuity is a defined benefit plan and Company is exposed to the Following Risks:

The plan is a defined benefit in nature which is sponsored by the Company and hence it underwrites all the risks pertaining to the plan. In particular, there is a risk for the Company that any adverse salary growth or demographic experience can result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature, the plan is not subject to any longevity risks.

II Accumulated Compensated Absences

The Company provides for accumulated compensated absences as at the balance sheet date on the basis of actuarial valuation. The Company has recognised INR 26.09 Lakhs (previous year INR 4.38 Lakhs) for compensated absences in the statement of Profit and loss.



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(Currency : Indian Rupees in lakhs)

34. Fair Value

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

The fair value is the amount at which financial instruments could be sold on fair terms as of the reporting date. Where market prices (e.g. for marketable securities) were available, we have used these prices without modification for measuring fair value. If no market prices were available, the fair values for loans/receivables and liabilities were calculated by discounting using a maturity-matched discount rate appropriate to the risk.

34.A Classification of financial assets and financial liabilities:
As at 31 March, 2025

	At Amortised cost	FVTPL*	FVTOCI	Total carrying Value	Total Fair value
Financial Assets					
1 Cash and cash equivalents	9,123.06	-	-	9,123.06	9,123.06
2 Other Bank balances	10,730.73	-	-	10,730.73	10,730.73
3 Loans	99,933.67	7,716.61	-	1,07,650.28	1,08,091.09
4 Investments	5,609.55	8,624.36	-	14,233.91	14,233.91
5 Other financial assets	6.38	-	-	6.38	6.38
Total	1,25,403.39	16,340.97	-	1,41,744.36	1,42,185.17
Financial Liabilities					
1 Other payables	307.87	-	-	307.87	307.87
2 Lease liabilities	170.11	-	-	170.11	170.11
3 Other financial liabilities	942.82	-	-	942.82	942.82
Total	1,420.80	-	-	1,420.80	1,420.80

As at 31 March, 2024

	At Amortised cost	FVTPL*	FVTOCI	Total carrying Value	Total Fair value
Financial Assets					
1 Cash and cash equivalents	34.08	-	-	34.08	34.08
2 Other Bank balances	1,004.47	-	-	1,004.47	1,004.47
3 Trade receivables	-	-	-	-	-
4 Investments	-	1,36,790.66	-	1,36,790.66	1,36,790.66
5 Other financial assets	1.05	-	-	1.05	1.05
Total	1,039.60	1,36,790.66	-	1,37,830.26	1,37,830.26
Financial Liabilities					
1 Other payables	17.16	-	-	17.16	17.16
2 Other financial liabilities	28.34	-	-	28.34	28.34
Total	45.50	-	-	45.50	45.50

* Financial assets measured at fair value (other than loans) are covered under level 1 financial instruments. Loans are level 3 financial instruments.

34.A.1 Fair value measurements using significant unobservable inputs (level 3)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Opening balance	-	-
Acquisitions during the year	7,500.00	-
Disposals during the year	-	-
Fair value gains/losses recognised in profit or loss	216.61	-
Closing balance	7,716.61	-

34.A.2 Sensitivity analysis of significant unobservable input on the fair value of financial assets measured at FVTPL

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Discounting rate		
Decrease by 200 bps	154.33	-
Increase by 200 bps	(154.33)	-



(Currency : Indian Rupees in lakhs)

34. *Fair Value (Continued)*

34.B Fair value hierarchy of financial instruments

The fair value of financial instruments are classified into three categories i.e. Level 1, 2 or 3 depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active market for identical assets or liabilities (level 1 measurements) and lowest priority to unobservable inputs (level 3 measurements).

Level 1: Financial instruments measured using quoted prices and that are traded in active market for identical assets and liabilities are categorized under level 1.

Level 2: Inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly or indirectly.

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

34.B.1 Fair values of financial assets and financial liabilities that are not measured at fair value, including their levels in the fair value hierarchy, are presented below.

	Fair Value							
	As at 31 March, 2025				As at 31 March, 2024			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial Assets								
Term loans	-	-	58,440.81	58,440.81	-	-	-	-
	Total	-	-	58,440.81	-	-	-	-

There are no transfers between Level 1, 2 and 3 since there are no financial instruments at fair value under the category.

34.C Valuation techniques used to determine fair value:

i) Investment in Mutual Fund Units

The fair value of investment in mutual fund units as at Balance Sheet date is based on the net asset value ("NAV") as stated by the issuers of these mutual fund units in the published statements. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

ii) Loans

The fair values of the Company's Loans are calculated based on a discounted cash flow model. The discount factor used for fair valuation in the market rate as on the reporting date.

iii) Short term financial assets and liabilities

For financial assets and liabilities that have a short term maturity (less than 12 months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include: cash and cash equivalents, trade receivables, balance other than cash and cash equivalents, term deposits, and trade payables. Loans repayable on demand repriced frequently, with interest rates reflecting current market pricing, the carrying value of these loans approximates their fair value.



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35. Financial Risk Management

The Company is registered with the Reserve Bank of India as a Systemically Important Non-Deposit Taking Non-Banking Financial Company (NBFC-ND-SI). Due to the nature of its operations, it is subject to various financial risks linked to its financial instruments, including credit risk, liquidity risk, market risk, and interest rate risk. To address these risks, the Company has implemented a risk management policies and to identify, assess, manage, and mitigate such risks, ensuring alignment with its financial goals.

The senior management is tasked with implementing and overseeing this risk management framework in line with the overall risk strategy and objectives approved by the Board of Directors. These strategies aim to proactively identify and assess risks, set appropriate risk limits and controls, and regularly monitor shifts in market conditions and the Company's risk exposure. Any revisions to the risk management policies or objectives require prior approval from the Board of Directors.

This note outlines the key financial risks the Company is exposed to, how these risks are managed, and their effect on the financial statements.

Risk	Exposure arising from	Measurement	Risk Management
Credit risk	Loans and Investments	Ageing analysis and credit risk modelling	Implementation of a structured credit appraisal process, borrower credit assessments, asset base diversification, setting borrower exposure and credit limits, and securing collateral where applicable.
Liquidity risk	Financial liabilities	ALM monitoring	Board approved ALM policy is in place. The company can manage its risk by accessing funds through primary and secondary debt markets, utilizing available credit lines, and undertaking loan asset sales when necessary.
Market risk	Investments	Sensitivity analysis - Earnings at Risk and Economic Value of Equity	Regular review of investment fair values, cost of funds, interest rate risk management and pricing strategies are few tools applied by the company.

The Company has established a risk management policy that comprehensively addresses risks arising from its assets and liabilities. It has implemented policies and procedures to identify, monitor, and manage material risks effectively. The risk management framework is continuously evaluated and refined to align with evolving internal strategies and external market dynamics.

The treasury function is responsible for managing the Company's asset-liability profile, liquidity position, and overall financial structure. It also oversees funding and interest rate risk exposures, operating in accordance with the Company's Asset Liability Management Policy and other relevant risk management directives issued by the Risk Management team.



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35. Financial Risk Management (Continued)**35.A Credit Risk****a) Credit quality of Loans**

The following tables set out information about the credit quality of loans to the retail and commercial lenders. The amounts in table below represent the maximum credit exposure of the financial assets (including commitments).

Credit quality of Loans

Particulars	As at 31 March, 2025			
	Stage I	Stage II	Stage III	Total
Retail	37,889.31	-	-	37,889.31
Commercial	76,768.49	-	-	76,768.49
Gross exposure (A)	1,14,657.80	-	-	1,14,657.80
Less: ECL (B)	639.23	-	-	639.23
Net exposure (C) = (A - B)	1,14,018.57	-	-	1,14,018.57

b) An analysis of changes in the gross carrying amount as follows:

Particulars	As at 31 March, 2025				
	Stage 1	Stage 2	Stage 3	POCI	Total
Gross carrying amount opening balance	-	-	-	-	-
New / increase of credit exposure during the year	1,14,657.80	-	-	-	1,14,657.80
Transfer to Stage 1	-	-	-	-	-
Transfer to Stage 2	-	-	-	-	-
Transfer to Stage 3	-	-	-	-	-
Changes to Contractual Cash Flows due to modification not resulting into derecognition	-	-	-	-	-
Amounts written off	-	-	-	-	-
Gross carrying amount closing balance	1,14,657.80	-	-	-	1,14,657.80

c) Reconciliation of ECL balance is given below

Particulars	As at 31 March, 2025				
	Stage 1	Stage 2	Stage 3	POCI	Total
ECL Allowance - Opening Balance	-	-	-	-	-
New / increase of credit exposure during the year	639.23	-	-	-	639.23
Assets derecognised or repaid (excluding write offs)	-	-	-	-	-
Transfer to Stage 1	-	-	-	-	-
Transfer to Stage 2	-	-	-	-	-
Transfer to Stage 3	-	-	-	-	-
Impact on year end ECL of Exposures transferred between Stages during the year and reversal of ECL on account of recovery	-	-	-	-	-
Changes to models and inputs used for ECL Calculation	-	-	-	-	-
Amounts written off	-	-	-	-	-
ECL Allowance - Closing Balance	639.23	-	-	-	639.23

Since there were no loans in previous year, reconciliation of previous year is not applicable.

d) Inputs, assumptions, techniques used for estimating impairment

The Company has applied a three-stage approach to measure expected credit losses (ECL) on debt instruments accounted for at amortised cost. Assets migrate through following three stages based on the changes in credit quality since initial recognition:

Stage 1: 12- months ECL: For exposures where there is no significant increase in credit risk since initial recognition and that are not credit-impaired upon origination, the portion of the lifetime ECL associated with the probability of default events occurring within the next 12- months is recognized.



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35. Financial Risk Management (Continued)

Stage 2: Lifetime ECL, not credit-impaired: For credit exposures where there has been a significant increase in credit risk since initial recognition but are not credit-impaired, a lifetime ECL is recognized.

Stage 3: Lifetime ECL, credit-impaired: Financial assets are assessed as credit impaired upon occurrence of one or more events that have a detrimental impact on the estimated future cash flows of that asset. For financial assets that have become credit-impaired, a lifetime ECL is recognized and interest revenue is calculated by applying the effective interest rate to the amortised cost.

Determining Significant Increase in Credit Risk (SICR)

To determine if the risk of default of a financial instrument has increased significantly since initial recognition, the current risk of default at the reporting date compared with the risk of default at initial recognition. Assessment of whether there has been a significant increase in credit risk required at each reporting date.

Stage 1

As soon as a financial instrument originates or purchased, it is categorized as Stage 1. This is applicable across all the loan facilities and bank balances.

Stage 2

In making this assessment, the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience that is available without undue cost or effort.

Stage 3

Stage 2 to Stage 3: Facilities in which any instalment or partial instalment is outstanding for a period of more than 90 days read with extended RBI guidelines.

Assessment of reduction in Credit Risk -

An asset can move into and out of the lifetime expected credit losses category (Stage 2 and 3) based on a predefined pattern obtained from the historical default rates or delinquency status of account across various internal rating grades, products or sectors.

Transitioning from Stage 2 to Stage 1:

Credit exposures transition back from stage 2 to stage 1 when the credit quality of the credit facility shows significant improvement. Primarily, when factors that previously triggered an exposure moving to Stage 2 no longer meet, such exposures move back to Stage 1 and a 12-month ECL measured instead of Lifetime ECL.

Transitioning from Stage 3 to Stage 2/Stage 1:

A Customer's loan account that has moved to stage 3 (i.e. more than 90 days DPD) and the customer subsequently pays as under:

- 1) Partial payment of overdue is paid by customer: Customer's loan account will be in stage 3 till the customer clears off the entire overdue in its account.
- 2) Full amount of overdue is paid by the customer: Customer's loan account will be moved from stage 3 to stage 2 on payment made to them. The account shall be upgraded to stage 1 if there is zero DPD in the account for a continuous period of 3 months.

For Customer's loan account that move from Stage 1 to stage 2 (i.e. regular over dues more than 30 days but where DPD has never crossed 90 days) and subsequently customer pays the overdue amount the loan account will be upgraded to stage 1 immediately.

Impairment Assessment of Loans

The Company primarily engages in providing secured personal loans to retail customers and structured financing to corporate clients. The impairment assessment methodology follows the Expected Credit Loss (ECL) model and aligns with the accounting policy detailed in Note 2.

A financial asset is classified as in "default" (Stage 3 – credit-impaired) when payments are overdue by more than 90 days. However, additional qualitative indicators of unlikeliness to pay are also evaluated. Where such indicators exist, the Company assesses whether classification as Stage 3 is warranted or if Stage 2 is more appropriate. Upgradation from Stage 3 occurs only when all overdue principal and interest are fully repaid across all facilities.

ECL Measurement Approach

The Company calculates Expected Credit Losses (ECL) using probability-weighted scenarios that estimate expected cash shortfalls, discounted using the effective interest rate (EIR). A cash shortfall is defined as the shortfall between contractual cash flows and the expected recoverable cash flows.

The formula used is:

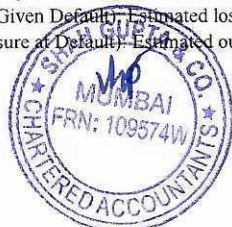
$ECL = PD \times LGD \times EAD$, where:

ECL (Expected Credit Loss): Present value of expected shortfall between contractual and expected cash flows.

PD (Probability of Default): Estimated likelihood of default over a specified period.

LGD (Loss Given Default): Estimated loss incurred upon default, considering recoveries including collateral, usually expressed as a percentage of EAD.

EAD (Exposure at Default): Estimated outstanding balance at the point of default, factoring in repayments prior to default



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35. Financial Risk Management (Continued)

35.B Liquidity risk

Liquidity risk is defined as the risk that the company will encounter difficulty in managing obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Company might be unable to meet its payment obligation when they fall due as a result of mismatches in the timing of the cash flow under both normal and stress circumstances.

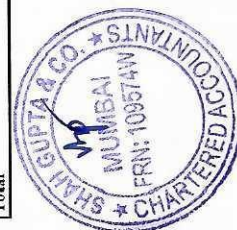
The ultimate responsibility for managing liquidity risk lies with the Board of Directors. To oversee this, the Board has constituted the Asset and Liability Management Committee (ALCO), which is tasked with managing the Company's funding and liquidity needs across short, medium, and long-term horizons.

The Company mitigates liquidity risk by ensuring the availability of adequate cash reserves and readily marketable securities, along with access to committed credit lines. It also closely monitors both projected and actual cash flows and aligns the maturities of financial assets and liabilities to ensure obligations are met as they fall due and to effectively manage market positions.

The table below presents the cash flow payable by the Company under financial assets and liabilities by remaining maturities at the balance sheet date. The amount disclosed in the table are contractual undiscounted cashflow of all financial assets and liabilities and the balances in the table below donot agree directly to the balances in the balance sheet as it incorporates all cashflows on an undiscounted basis related to both principal as well as the associated future coupon payments thereon.

As at 31 March, 2025

Particulars	Total	Contractual cash flows						
		Up to 1 month	Over 1 month to 2 months	Over 2 months to 3 months	3 to 6 months	6 to 12 months	1 year to 3 year	3 - 5 years
Financial liabilities								
Lease liabilities	191.82	5.81	5.81	5.81	17.44	34.88	122.07	-
Other financial liabilities	942.82	-	565.96	-	188.43	188.43	-	-
Total	1,134.64	5.81	571.77	5.81	205.87	223.31	122.07	-
Particulars	Total	Contractual cash flows						
		Up to 1 month	Over 1 month to 2 months	Over 2 months to 3 months	3 to 6 months	6 to 12 months	1 year to 3 year	3 - 5 years
Financial assets								
Cash and cash equivalents	9,123.06	9,123.06	-	-	-	-	-	-
Bank balance other than cash and cash equivalents above	10,730.73	-	-	106.50	10,624.23	-	-	-
Trade receivables	-	-	-	-	-	-	-	-
Loans	1,19,224.64	57,668.14	17,046.57	411.57	2,271.73	15,726.08	15,065.88	5,027.15
Investments	14,233.91	3,111.45	4,500.00	1,000.00	-	12.91	-	5,609.55
Other financial assets	6.38	0.42	-	-	5.96	-	-	-
Total	1,53,318.72	69,903.07	21,546.57	1,518.07	12,901.92	15,738.99	15,065.88	10,636.70



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35. Financial Risk Management (Continued)

(B) Liquidity risk (continued)

As at 31 March, 2024

Particulars	Total	Contractual cash flows						
		Up to 1 month	Over 1 month to 2 months	Over 2 months to 3 months	3 to 6 months	6 to 12 months	1 year to 3 year	3 - 5 years
Financial liabilities								
Other financial liabilities	28.34	-	23.00	-	5.34	-	-	-
Total	28.34	-	23.00	-	5.34	-	-	-
Financial assets								
Cash and cash equivalents	33.89	33.89	-	-	-	-	-	-
Bank balance other than cash and cash equivalents above	1,004.47	-	-	-	1,004.47	-	-	-
Investments	1,36,790.66	1,36,790.66	-	-	-	-	-	-
Trade receivables	-	-	-	-	-	-	-	-
Other financial assets	1.05	1.05	-	-	-	-	-	-
Total	1,37,830.07	1,36,825.60	-	-	1,004.47	-	-	-

Note:- For financial liabilities undiscounted cash flows have been provided

35.C Market risk

Market risk is the risk that changes in market prices and is exposed to risks such as

- a) Currency risk
- b) Prepayment risk
- c) Interest rate risk

which will affect the Company's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

a) Currency risk

The Company's operating currency is Indian Rupees (INR) only and not exposed to foreign currency risk.

b) Prepayment Risk

Prepayment risk is the risk that the Company will incur a financial loss because its customers and counterparties repay or request repayment earlier than expected especially in case of fixed rate loans when interest rates fall. The financial assets of the company are a mix of at floating & fixed rate loans etc. The same is the case for its financial liabilities. Firstly, the company would like to redeploy asset prepayments to optimize earnings. Secondly, the company engages in active management of interest rates (refer Interest Rate Risk section below) which among others, helps ensure minimize the adverse impact of prepayments in a benign interest rate regime.



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35. Financial Risk Management (Continued)**c) Interest rate risk**

Interest rate risk arises from potential changes in market interest rates, which can impact the future cash flows or fair values of financial instruments, especially those with fixed interest rates, such as bonds and debentures. Typically, the value of such fixed-income instruments falls when interest rates rise, and increases when rates decline. This is because the fixed return from these instruments becomes less attractive compared to newly issued instruments offering higher yields. For the Company, a rising interest rate environment may also increase the cost of borrowings. To manage this risk, the Company actively monitors interest rate trends and uses this information to guide its investment decisions, such as whether to invest in fixed-rate instruments or other market securities. The Company's borrowings include both fixed and floating rate components, and where possible, interest rate increases are passed on to customers.

The table below details the exposure of the Company to interest rate risk

Particulars	As at 31 March, 2025	As at 31 March, 2024
Fixed rate instruments		
Financial Assets	92,534.89	1,37,830.26
Financial Liabilities	(1,420.80)	(45.50)
Floating rate instruments		
Financial Assets	49,717.01	-
Financial Liabilities	-	-

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 200 basis points in interest rates at the reporting date would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

	For the period ended 31 March, 2025	For the period ended 31 March, 2024
Cash Flow Sensitivity (Variable rate instruments (net))		
Decrease by 200 bps:	(994.34)	-
Increase by 200 bps:	994.34	-

The risk estimates provided assume a parallel shift of 200 basis points interest rate across all yield curves. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date.



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Notes to the financial statements for the year ended 31 March, 2025

(Currency : Indian Rupees in lakhs)

36 Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

Particulars	As at 31 March, 2025			As at 31 March, 2024		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
I Assets						
A. Financial assets						
a) Cash and cash equivalents	9,123.06	-	9,123.06	34.08	-	34.08
b) Other Bank balances	10,730.73	-	10,730.73	1,004.47	-	1,004.47
c) Loans	89,042.19	18,608.09	1,07,650.28	-	-	-
d) Investments	8,624.36	5,609.55	14,233.91	1,36,790.66	-	1,36,790.66
e) Other financial assets	6.38	-	6.37	1.05	-	1.05
B. Non-financial assets						
a) Current tax assets (net)	310.20	-	310.20	-	-	-
b) Deferred tax assets (net)	-	299.34	299.34	-	-	-
c) Property, plant and equipment	-	52.21	52.21	-	0.92	0.92
d) Right of use asset	-	168.24	168.24	-	-	-
f) Other intangible assets	-	231.43	231.43	-	-	-
g) Other non-financial assets	134.26	52.13	186.39	21.97	-	21.97
Total Assets	1,17,971.18	25,020.98	1,42,992.17	1,37,852.23	0.92	1,37,853.15
II Liabilities						
A. Financial liabilities						
a) Trade payables	37.87	-	37.87	17.16	-	17.16
b) Other payables	270.00	-	270.00	-	-	-
c) Lease liabilities	56.94	113.17	170.11	-	-	-
d) Other financial liabilities	942.82	-	942.82	28.34	-	28.34
B. Non-financial Liabilities						
a) Deferred tax liabilities (net)	-	-	-	-	3,029.84	3,029.84
b) Current tax (net)	-	-	-	56.09	-	56.09
c) Provisions	147.78	23.08	170.86	-	4.73	4.73
d) Other non-financial liabilities	140.43	-	140.43	12.67	-	12.67
Total Liabilities	1,595.84	136.25	1,732.09	114.26	3,034.57	3,148.83



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

Notes to the financial statements for the year ended 31 March, 2025

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37. Capital Management

The primary objective of the capital management policy is to ensure that the Company continuously complies with regulatory capital requirements. In line with this objective, the Company ensures adequate capital at all times and manages its business in a way in which capital is protected, satisfactory business growth is ensured, cash flows are monitored, borrowing covenants are honoured and ratings are maintained.

Regulatory capital-related information is presented as part of the RBI mandated disclosures. The RBI norms require capital to be maintained at prescribed levels. In accordance with such norms, Tier I capital of the company comprises of equity share capital, share premium and reserves and Tier II capital comprises of provision on loans that are not credit-impaired. There were no changes in the capital management process during the periods presented.

Capital Risk Adequacy Ratio (CRAR):

	As at 31 March, 2025	As at 31 March, 2024
Capital Funds		
Net owned funds (Tier I Capital)	1,40,569.02	NA
Tier II Capital	639.23	NA
Total capital funds	1,41,208.25	NA
Total risk weighted assets	1,25,894.66	NA
% of capital funds to risk weighted assets		
Tier I capital	111.66%	NA
Tier II capital	0.51%	NA
Total capital funds	112.16%	NA

38. Changes in liabilities arising from financing activities:

Particulars	As at 31 March, 2024	Cashflows (net)	New leases	As at 31 March, 2025
Lease liabilities	-	(11.63)	181.74	170.11

39. Utilisation of funds

No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries).

The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

40. Additional regulatory information pursuant to the requirement in Division III of Schedule III to the Act:

- The Company has not traded or invested in crypto currency or virtual currency during the financial year.
- No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- No satisfaction of charges are pending to be filed with ROC.
- There are no transactions which are not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- The company does not have any investment property.
- The company does not have any immovable property, whose title deeds are not held in the name of the company.
- The Company has not entered into any transaction with companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956.
- The Company has not entered into any scheme of arrangement except as stated below:
The Company (transferee company) has entered into a scheme of amalgamation with Salter Technologies Private Limited (transferor company), with the appointed date being April 01, 2024.

Upon the scheme becoming effective and with effect from the appointed date, the transferee Company shall account for the amalgamation in its books of account in accordance with the method of accounting as prescribed in the applicable accounting standards notified under section 133 of the Act, and other relevant applicable provisions of the Act with the rules made thereunder and other generally accepted accounting principles in India.

- There is no intangible assets under development as at March 31, 2025 and March 31, 2024. Further the Company has not revalued its intangible assets during the current or previous year.



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

Notes to the financial statements for the year ended 31 March, 2025

(Currency : Indian Rupees in lakhs)

41. Regulatory disclosures - RBI

The following additional information is disclosed in the terms of Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 issued vide RBI/DoR/2023-24/105 DoR.FIN.REC.No.45/03.10.119/2023-24 dated October 19, 2023 as amended from time to time.

The Company has received its certificate of registration bearing number N-13.02486 from the Reserve Bank of India (RBI) on July 26, 2024 to commence carry on the business of Non Banking Financial Company (NBFC). Hence, mandatory disclosures to the extent available for previous year are provided.

41.1 Ratios

Particulars	As at 31 March, 2025	As at 31 March, 2024
(i) CRAR (%)	112.16%	NA
(ii) CRAR - Tier I capital (%)	111.66%	NA
(iii) CRAR - Tier II Capital (%)	0.51%	NA
(iv) Amount of subordinated debt raised as tier II capital	-	-
(v) Amount raised by issue of perpetual debt instruments	-	-
(vi) Liquidity Coverage Ratio*	Not Applicable	Not Applicable

*The Company is not required to provide disclosure relating to Liquidity Coverage Ratio (LCR) as it is applicable to the NBFCs with asset size of Rs. 5,000 crore. The Company has not raised any amount by way of issue of hybrid debt, subordinated debt or perpetual debt.

41.2 Investments

Particulars	As at 31 March, 2025	As at 31 March, 2024
I) Value of Investment		
(i) Gross value of investments		
(a) In India	14,233.91	1,36,790.66
(b) Outside India	-	-
(ii) Provisions for depreciation		
(a) In India	-	-
(b) Outside India	-	-
(iii) Net value of investments		
(a) In India	14,233.91	1,36,790.66
(b) Outside India	-	-
II) Movement of provisions held towards depreciation on investments.		
Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Opening balance	-	-
Add : Provisions made during the year	-	-
Less : Write-off / write-back of excess provisions during the year	-	-
Closing balance	-	-

41.3 Derivatives

The Company has not dealt in exchange traded interest rate derivative, forward rate agreements and interest rate swaps during the current and previous year.

41.4 Unhedged foreign currency exposures

There are no foreign currency exposures as at current or previous year end.

41.5 Asset Liability Management**(A) Maturity pattern of certain items of assets and liabilities As at 31 March, 2025**

A.i	Particulars	Loans	Investments	Fixed Deposits	Foreign Currency Assets
	1 day to 7 days	19,000.00	1,111.45	4,002.86	-
	8 day to 14 days	-	-	-	-
	15 day to 30/31 days (One month)	37,955.43	2,000.00	-	-
	Over One months to 2 months	16,400.00	4,500.00	-	-
	Over 2 months up to 3 months	133.33	1,000.00	106.50	-
	Over 3 months to 6 months	1,245.91	-	10,624.23	-
	Over 6 months to 1 year	14,307.52	12.91	-	-
	Over 1 year to 3 years	11,635.51	-	-	-
	Over 3 years to 5 years	4,368.13	-	-	-
	Over 5 years	2,604.46	5,609.55	-	-
	Total	1,07,650.29	14,233.91	14,733.59	-

A.ii	Particulars	Borrowings and Debt Securities	Liabilities Deposits	Foreign Currency Borrowings
	1 day to 7 days	-	-	-
	8 day to 14 days	-	-	-
	15 day to 30/31 days (One month)	-	-	-
	Over One months upto 2 months	-	-	-
	Over 2 months upto 3 months	-	-	-
	Over 3 months upto 6 months	-	-	-
	Over 6 months to 1 year	-	-	-
	Over 1 year to 3 years	-	-	-
	Over 3 years to 5 years	-	-	-
	Over 5 years	-	-	-
	Total	-	-	-



DSP Finance Private Limited (Formerly known as DSP Investment Managers Private Limited)
Notes to the financial statements for the year ended 31 March, 2025

(Currency Indian Rupees in lakhs)

(B) Maturity pattern of certain items of assets and liabilities As at 31 March, 2024

B.i	Particulars	Assets			
		Loans	Investments	Fixed Deposits	Foreign Currency Assets
	1 day to 7 days	-	1,36,790.66	-	-
	8 day to 14 days	-	-	-	-
	15 day to 30/31 days (One month)	-	-	-	-
	Over One months to 2 months	-	-	-	-
	Over 2 months up to 3 months	-	-	-	-
	Over 3 months to 6 months	-	-	1,004.47	-
	Over 6 months to 1 year	-	-	-	-
	Over 1 year to 3 years	-	-	-	-
	Over 3 years to 5 years	-	-	-	-
	Over 5 years	-	-	-	-
	Total	-	1,36,790.66	1,004.47	-

B.ii	Particulars	Liabilities		
		Borrowings and Debt Securities	Deposits	Foreign Currency Liabilities
	1 day to 7 days	-	-	-
	8 day to 14 days	-	-	-
	15 day to 30/31 days (One month)	-	-	-
	Over One months to 2 months	-	-	-
	Over 2 months up to 3 months	-	-	-
	Over 3 months to 6 months	-	-	-
	Over 6 months to 1 year	-	-	-
	Over 1 year to 3 years	-	-	-
	Over 3 years to 5 years	-	-	-
	Over 5 years	-	-	-
	Total	-	-	-

41.6 Exposures

Disclosure Pursuant To Reserve Bank Of India Scale Based Regulation RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24 dated October 19, 2023 amended from time to time.

(i) Exposure to real estate sector	As at 31 March, 2025	As at 31 March, 2024
a) Direct exposure		
Residential mortgages -		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented: (Individual housing loans up to INR15 lakhs may be shown separately)	-	-
Commercial real estate -		
Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.).	8,250.00	-
Investments in mortgage backed securities (MBS) and other securitised exposures -		
- Residential	-	-
- Commercial Real Estate	-	-
b) Indirect exposure		
Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	-	-
	8,250.00	-

(ii) Exposure to capital market	As at 31 March, 2025	As at 31 March, 2024
a) direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt	-	-
b) advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds	-	-
c) advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security.	36,893.24	-
d) advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances.	36,050.00	-
e) secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers.	-	-
f) loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources	-	-
g) bridge loans to companies against expected equity flows / issues	-	-
h) Underwriting commitments taken up by the NBFCs in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds	-	-
i) Financing to stockbrokers for margin trading	-	-
j) All exposures to Alternative Investment Funds:		
(i) Category I	-	-
(i) Category II	-	-
(i) Category III	-	-
k) all exposures to Venture Capital Funds (both registered and unregistered)	-	-
Total exposure to capital market	72,943.24	-



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Notes to the financial statements for the year ended 31 March, 2025

(Currency : Indian Rupees in lakhs)

(iii) **Sectoral exposure**

Sectors	Total Exposure	As at 31 March, 2025 Gross NPAs	% of Gross NPAs to total exposure in that sector
Industry			
Micro and Small	6,500.00	-	0.00%
Medium	-	-	0.00%
Others	53,799.99	-	0.00%
Services			
Others	10,000.00	-	0.00%
Retail Loans			
Others	37,685.36	-	0.00%

Previous Year : Nil

41.7 Details of financing of parent Company products:

Details of financing of parent Company products. Nil (Previous year : Nil)

41.8 Details of single borrower limit and borrower group limit exceeded by the Company:

During the year ended 31 March, 2025 and 31 March, 2024 the Company's credit exposure to single borrower and group borrowers were within the limits prescribed by the RBI.

41.9 Unsecured advances

The portfolio of Company include unsecured loans. Details of loans are provided in Note 5 of this financial statement.

41.10 Registration obtained from other financial sector regulators

The Company has not obtained any registration from other financial sector regulators.

41.11 Penalties imposed by the RBI and other regulators

During the year ended March 31, 2025 there was no penalty imposed by the RBI or any other regulator (Previous Year Nil).

41.12 Provisions and contingencies

	As at 31 March, 2025	As at 31 March, 2024
Breakup of provisions and contingencies shown under the head expenses in the Statement of Profit and loss		
Provision made towards income tax expenses	3,503.49	46.26
Provision for Standard Assets	639.23	-
Other Provision and Contingencies *	28.33	4.46
*Other provisions and contingencies		
Provision for gratuity expense	2.24	0.08
Provision for compensated absences	26.09	4.38
Total	28.33	4.46

41.13 Draw down from reserves

During the current year the Company has not drawn from any reserve (Previous year : Nil)

41.14 Concentration of deposits, advances, exposures and NPA assets

	As at 31 March, 2025	As at 31 March, 2024
A. Concentration of advances		
Total Advances to twenty largest borrowers	72,354.66	-
% of Advances to twenty largest borrowers to Total Advances	66.90%	0.00%
B. Concentration of exposures		
Total Exposures to twenty largest borrowers / Customers	78,840.80	-
% of Exposures to twenty largest borrowers / Customers to Total Advances	72.89%	0.00%
C. Concentration of NPA Advances		
Total Exposures to top Four NPA Assets	-	-
D. Sector-wise NPA Assets	% of NPA assets to Total Advances in that sector	
Sectors	As at 31 March, 2025	As at 31 March, 2024
Agriculture and allied activities	0.00%	0.00%
MSME	0.00%	0.00%
Corporate borrowers	0.00%	0.00%
Services	0.00%	0.00%
Unsecured loans - Bill discounting	0.00%	0.00%
Auto loans	0.00%	0.00%
Other loans	0.00%	0.00%

E. Concentration of deposits

The Company is a Non Deposit Accepting Systemically Important NBFC. Accordingly, the Company has not accepted any deposits during the current and previous year. Also there are no outstanding deposits from earlier years (Previous Year : Nil).

41.15 Movement in non-performing assets (NPAs)

Not applicable as the Company has no stage 3 assets.

41.16 Divergence in the asset classification and provisioning : Nil (Previous year: Nil)

41.17 No ratings has been assigned to the Company during current and previous year.

41.18 Disclosure as per requirements of Master Direction – Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021 (RBI circular no RBI/DOR/2021-22/86 DOR.STR.REC.51/21.04.048/2021-22) dated September 24, 2021 amended from time to time is provided below:

The Company has not acquired or transferred any loans not in default during the year ended March 31, 2025 and March 31, 2024.
The Company has neither purchased nor sold non performing assets during the year ended March 31, 2025 and March 31, 2024.



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

Notes to the financial statements for the year ended 31 March, 2025

(Currency : Indian Rupees in lakhs)

41.19 Comparison of Regulatory Provision for NPA and Impairment Provision as per Ind AS
As at 31 March, 2025

Asset Classification		Gross Carrying	Loss Allowances	Net Carrying	Provisions	Difference between
as per RBI Norms	as per Ind AS 109	Amount as per Ind AS	(Provisions) as required under Ind AS 109	Amount	required as per IRACP norms	Ind AS 109 provisions and IRACP norms
Performing						
Standard	Stage-1	1,08,131.38	507.54	1,07,623.84	432.53	75.01
	Stage-2	-	-	-	-	-
Sub total		1,08,131.38	507.54	1,07,623.84	432.53	75.01
Non Performing Assets (NPA)						
Substandard	Stage-3	-	-	-	-	-
Doubtful						
up to 1 year	Stage-3	-	-	-	-	-
1 to 3 Years	Stage-3	-	-	-	-	-
More than 3 years	Stage-3	-	-	-	-	-
Sub total for Doubtful		-	-	-	-	-
Loss	Stage-3	-	-	-	-	-
Subtotal for NPA		-	-	-	-	-
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms.	Stage-1	6,500.00	131.69	6,368.31	-	131.69
	Stage-2	-	-	-	-	-
	Stage-3	-	-	-	-	-
Total	Stage-1	1,14,631.38	639.23	1,13,992.15	432.53	206.70
	Stage-2	-	-	-	-	-
	Stage-3	-	-	-	-	-
	Total	1,14,631.38	639.23	1,13,992.15	432.53	206.70

As at 31 March, 2024

Asset Classification		Gross Carrying	Loss Allowances	Net Carrying	Provisions	Difference between
as per RBI Norms	as per Ind AS 109	Amount as per Ind AS	(Provisions) as required under Ind AS 109	Amount	required as per IRACP norms	Ind AS 109 provisions and IRACP norms
Performing						
Standard	Stage-1	-	-	-	-	-
	Stage-2	-	-	-	-	-
Sub total		-	-	-	-	-
Non Performing Assets (NPA)						
Substandard	Stage-3	-	-	-	-	-
Doubtful						
up to 1 year	Stage-3	-	-	-	-	-
1 to 3 Years	Stage-3	-	-	-	-	-
More than 3 years	Stage-3	-	-	-	-	-
Sub total for Doubtful		-	-	-	-	-
Loss	Stage-3	-	-	-	-	-
Subtotal for NPA		-	-	-	-	-
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms.	Stage-1	-	-	-	-	-
	Stage-2	-	-	-	-	-
	Stage-3	-	-	-	-	-
Total	Stage-1	-	-	-	-	-
	Stage-2	-	-	-	-	-
	Stage-3	-	-	-	-	-
	Total	-	-	-	-	-

41.20 Disclosure of Restructured Accounts

No restructuring was carried during the year ended March 31, 2025 and March 31, 2024.

41.21 Public disclosure on liquidity risk

The Company has not taken any loans during the year ended March 31, 2025 and March 31, 2024. It has only utilised the overdraft facility from a bank in the current year.



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

Notes to the financial statements for the year ended 31 March, 2025

(Currency : Indian Rupees in lakhs)

41.22 Related Party Disclosure

All material transactions with related parties are reflected in Note - 32

41.23

Loans to Directors, Senior Officers and Relatives of Directors

	For the year ended March 31, 2025	For the year ended March 31, 2024
a Directors and their relatives	-	-
b Entities associated with directors and their relatives	-	-
c Senior Officers and their relatives	-	-

41.24 Details of transaction with non-executive directors

Non-Executive Directors have no pecuniary relationship with the Company.

41.25 Disclosure of complaints

I Summary information on complaints received by the Company from customers and from the Offices of Ombudsman

S. No.	Particulars	As at March 31, 2025	As at March 31, 2024
Complaints received by the Company from its customers			
1	Number of complaints pending at beginning of the year	0	NA
2	Number of complaints received during the year	16	NA
3	Number of complaints disposed off during the year	16	NA
	3.1 Of which, number of complaints rejected by the Company	0	NA
4	Number of complaints pending at the end of the year	0	NA
Maintainable complaints received by the Company from Office of Ombudsman			
5	Number of maintainable complaints received by the Company from Office of Ombudsman	0	NA
5.1	Of 5, number of complaints resolved in favour of the Company by Office of Ombudsman	0	NA
5.2	Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	0	NA
5.3	Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	0	NA
6	Number of Awards unimplemented within the stipulated time (other than those appealed)	0	NA

II Top five grounds of complaints received by the Company from customers

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/decrease in the number of complaints received over the previous year *	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
As at March 31, 2025					
Loans and advances	0	6	NA	0	0
Levy of charges without prior notice / excessive charges / Foreclosure charges	0	2	NA	0	0
Difficulty in operation of accounts	0	8	NA	0	0
Facilities for customers visiting the office / adherence to prescribed working hours, etc	0	0	NA	0	0
Others	0	0	NA	0	0
Total	0	16	NA	0	0

* Since the company was not into lending business in the previous year, % increase / decrease of complaints is not applicable.

41.26 Consolidated Financial Statements (CFS)

The Company has an associate entity. However, the Company has opted for exemption under Section 129(3) of the Companies Act, 2013 as its holding company is consolidating the financial statements for its share in the associate.



DSP Finance Private Limited (Formerly known as DSP Investment Managers Private Limited)
Notes to the financial statements for the year ended 31 March, 2025

(Currency : Indian Rupees in lakhs)

41.27 Breach of covenant

The Company has not availed any loan or issued debt securities during the current year as well as previous year.

41.28 Overseas assets

The Company did not have any Joint Ventures and Subsidiaries abroad as at 31 March, 2025 (31 March, 2024: Nil)

41.29 Intra-Group Exposures

The Company does not have any intra-group exposures during the year ended March 31, 2025 and March 31, 2024.

41.30 Advances Against Intangible Securities

The Company has not given any loans against intangible securities.

41.31 Off-Balance Sheet SPVs Sponsored

The Company has not sponsored any SPV's.

41.32 Net profit / loss for the year, prior period, changes in accounting policies

There are no prior period items and changes in accounting policies impacting net profit for the year.

41.33 Securitisation and reconstruction

There are no securitisation and assignment entered into by the Company during the year ended March 31, 2025 and March 31, 2024.

41.34 Revenue recognition

Revenue recognition has not been postponed on account of pending resolution of significant uncertainties in respect of any revenue stream of the Company.

41.35 Off balance sheet exposure

	As at 31 March, 2025	As at 31 March, 2024
A. Contingent liabilities	-	-
B. Capital commitments		
i) Loans sanctioned not yet disbursed	6,500.00	-

A. Contingent liabilities

B. Capital commitments

i) Loans sanctioned not yet disbursed

6,500.00

41.36 Reporting of Frauds

The Company has not reported any fraud during the current year. (Previous year : Nil)



DSP Finance Private Limited (Formerly known as DSP Investment Managers Private Limited)
Notes to the financial statements for the year ended 31 March, 2025

(Currency : Indian Rupees in lakhs)

42. Previous year figures have been regrouped / reclassified to make them comparable with current reporting period.

As per our attached report of even date

For Shah Gupta & Co
Chartered Accountants
Firm Registration No.: 109574W


Heneel K Patel
Partner
Membership No. - 114103



For and on behalf of the Board of Directors of
DSP Finance Private Limited (Formerly known as DSP Investment Managers Private Limited)


Jayesh Mehta
Whole-Time Director and Chief Executive Officer
DIN: 00030636


Priya Ranjit
Chief Finance and Operations Officer

Mumbai
27 June, 2025


Virendra Sheth
Director
DIN: 02657630


Amrita Maji
Company Secretary
ACS: 51888



Mumbai
27 June, 2025



Notes to the financial statements for the year ended 31 March, 2025

(Currency: Indian Rupees in lakhs)

Annexure -I

Schedule to the Balance Sheet of "DSP Finance Private Limited" (as required in terms of paragraph 31 of Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 issued vide RBI/DoR/2023-24/105 DoR.FIN.REC.No.45/03.10.119/2023-24 dated October 19, 2023:

Particulars	As at 31 March, 2025			As at 31 March, 2024		
Liabilities side :	Amount outstanding	Amount overdue	Total	Amount outstanding	Amount overdue	Total
1) Loans and advances availed by the non- banking financial company inclusive of interest accrued thereon but not paid:		-				
(a) Debentures : Secured	-	-	-	-	-	-
; Unsecured	-	-	-	-	-	-
(other than falling within the meaning of public deposits)						
(b) Deferred credits	-	-	-	-	-	-
(c) Term loans	-	-	-	-	-	-
(d) Inter-corporate loans and borrowing	-	-	-	-	-	-
(e) Commercial paper	-	-	-	-	-	-
(f) Public deposits	-	-	-	-	-	-
(h) Other loans (Borrowings)	-	-	-	-	-	-
2) Break-up of (1) (f) above [Outstanding public deposits inclusive of interest accrued thereon but not paid]						
(a) In the form of Unsecured debentures	-	-	-	-	-	-
(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-	-	-	-	-
(b) Other public deposits	-	-	-	-	-	-
Assets side :						
3) Break-up of loans and advances including bills receivables [other than those included in (4) below]						
(a) Secured	84,157.82	-	84,157.82	-	-	-
(b) Unsecured	24,000.00	-	24,000.00	-	-	-
4) Break up of Leased assets and stock on hire and other assets counting towards AFC activities						
(i) Lease assets including lease rentals under sundry debtors:						
(a) Financial lease	-	-	-	-	-	-
(b) Operating lease	-	-	-	-	-	-
(ii) Stock on hire including hire charges under sundry debtors:						
(a) Assets on hire	-	-	-	-	-	-
(b) Repossessed assets	-	-	-	-	-	-
(iii) Other loans counting towards AFC activities						
(a) Loans where assets have been repossessed	-	-	-	-	-	-
(b) Loans other than (a) above	-	-	-	-	-	-
5) Break-up of investments :						
Current investments :						
1. Quoted						
(i) Shares : (a) Equity	-	-	-	-	-	-
(b) Preference	-	-	-	-	-	-
(ii) Debentures and bonds	-	-	-	-	-	-
(iii) Units of mutual funds	-	-	-	-	-	-
(iv) Government securities	-	-	-	-	-	-
(v) Others (please specify)	-	-	-	-	-	-
2. Unquoted						
(i) Shares : (a) Equity	-	-	-	-	-	-
(b) Preference	7,512.91	-	7,512.91	-	-	-
(ii) Debentures and bonds	-	-	-	-	-	-
(iii) Units of mutual funds	1,111.45	-	1,111.45	-	-	-
(iv) Government securities	-	-	-	-	-	-
(v) Others (please specify)	-	-	-	-	-	-



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

Notes to the financial statements for the year ended 31 March, 2025

(Currency Indian Rupees in lakhs)

Annexure -I

Schedule to the Balance Sheet of "DSP Finance Private Limited" (as required in terms of paragraph 31 of Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 issued vide RBI/DoR/2023-24/105 DoR.FIN.REC.No.45/03.10.119/2023-24 dated October 19, 2023:

Particulars	As at 31 March, 2025			As at 31 March, 2024		
	Amount outstanding	Amount overdue	Total	Amount outstanding	Amount overdue	Total
Long term investments :						
1. Quoted						
(i) Shares	-	-	-	-	-	-
(a) Equity	-	-	-	-	-	-
(b) Preference	-	-	-	-	-	-
(ii) Debentures and bonds	-	-	-	-	-	-
(iii) Units of mutual funds	-	-	-	1,36,790.66	-	1,36,790.66
(iv) Government securities	-	-	-	-	-	-
(v) Others (please specify)	-	-	-	-	-	-
2. Unquoted						
(i) Shares	5,609.55	-	5,609.55	-	-	-
(a) Equity	-	-	-	-	-	-
(b) Preference	-	-	-	-	-	-
(ii) Debentures and bonds	-	-	-	-	-	-
(iii) Units of mutual funds	-	-	-	-	-	-
(iv) Government securities	-	-	-	-	-	-
(v) Others (please specify)	-	-	-	-	-	-
6) Borrower group-wise classification of assets financed as in (3) and (4) above:	Amount net of provision (Refer note 5)			Amount net of provision (Refer note 5)		
Category	Secured	Unsecured	Total	Secured	Unsecured	Total
1. Related Parties						
(a) Subsidiaries	-	-	-	-	-	-
(b) Companies in the same group	-	-	-	-	-	-
(c) Other related parties	-	-	-	-	-	-
2. Other than related parties	84,157.82	24,000.00	1,08,157.82	-	-	-
Total	84,157.82	24,000.00	1,08,157.82	-	-	-
Particulars	As at 31 March, 2025			As at 31 March, 2024		
7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted)						
Category	Market Value / Break up or fair value or NAV		Book Value (Net of provisions)	Market Value / Break up or fair value or NAV		Book Value (Net of provisions)
1. Related Parties						
(a) Subsidiaries	-		-	-		-
(b) Companies in the same group	-		-	-		-
(c) Other related parties	5,609.55		5,609.55	-		-
2. Other than related parties	8,624.36		8,624.35	1,36,790.66		1,02,851.54
Total	14,233.91		14,233.90	1,36,790.66		1,02,851.54
8) Other Information						
(i) Gross non-performing assets						
(a) Related parties			-			-
(b) Other than related parties			-			-
(ii) Net non-performing assets						
(a) Related parties			-			-
(b) Other than related parties			-			-
(iii) Assets acquired in satisfaction of debt			-			-



NOTICE IS HEREBY GIVEN THAT 29TH ANNUAL GENERAL MEETING OF THE SHAREHOLDERS OF DSP FINANCE PRIVATE LIMITED (Formerly known as DSP Investment Managers Private Limited) WILL BE HELD ON FRIDAY, SEPTEMBER 19, 2025 AT 11:30 A.M. AT THE REGISTERED OFFICE OF THE COMPANY AT MAFATLAL CENTRE, 11TH FLOOR, VIDHAN BHAVAN MARG, NARIMAN POINT, MUMBAI-400021 TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

ITEM NO. 1:

To consider and adopt the Annual Audited Financial Statements for the financial year ended March 31, 2025, comprising of the Audited Balance Sheet as at March 31, 2025 and the Statement of Profit & Loss and Cash Flow Statement for the financial year ended on that date together with the Reports of the Board of Directors and the Auditors thereon.

To consider and if thought, to pass with or without modification (s) the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT the Annual Audited Financial Statements of the Company comprising of audited Balance Sheet as at March 31, 2025, the Statement of Profit & Loss, and the Cash Flow Statement for the financial year ended on that date and the report of the Auditors and Directors thereon be and are hereby adopted.”

Place: Mumbai
Date: August 28, 2025



FOR AND ON BEHALF OF THE BOARD

AMRITA MAJI
COMPANY SECRETARY
MEMBERSHIP NO.: A51888

Registered Office:
Mafatlal Centre, 11th Floor,
Vidhan Bhavan marg,
Nariman Point, Mumbai – 400 021

CIN: U64920MH1996PTC099483
Tel No. 022-41765550
E-Mail Id: compliance@dspfin.com

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF / HERSELF AND THE PROXY SO APPOINTED NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PROXY FORM FOR THE AGM IS ENCLOSED.**
2. A person can act as a proxy on behalf of members not exceeding fifty.
3. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send a duly certified true copy of the Board Resolution to the Company authorizing their representative to attend and vote on their behalf at the Meeting.
4. Members/proxies /authorized representatives should bring the duly filled Attendance Slip enclosed herewith to attend the meeting.
5. Members may also note that the Notice of the AGM along with all documents referred to therein will be available at the Company's registered office for inspection during normal business hours on working days.
6. The route map to reach the venue of the AGM is annexed with the notice.

ENTRANCE PASS/ ATTENDANCE SLIP
(To be presented at the entrance)

29th ANNUAL GENERAL MEETING
ON FRIDAY, SEPTEMBER 19, 2025 AT 11:30 A.M.

at Mafatlal Centre, 11th Floor, Vidhan Bhavan Marg, Nariman Point, Mumbai - 400 021

1. Name(s) of member(s) :
(including joint-holders, if any)
2. Registered Address of the
Sole/First named member :
3. Registered Folio No./
DPID/Client ID No * :
(*Applicable to Members holding shares in dematerialized form)

I certify that I am a Registered Shareholder/proxy of the Registered Shareholder of the Company as per details above. I hereby record my presence at this 29th Annual General Meeting of the Company.

Name of the Shareholder/Proxy

Signature of the Shareholder/Proxy present

PROXY FORM

[Pursuant to Section 105 (6) of the Companies Act, 2013 read with Rule 19 (3) of the Companies (Management and Administration) Rules, 2014]

Name of the Company	:	DSP Finance Private Limited
CIN	:	U64920MH1996PTC099483
Registered Office Address	:	Mafatlal Centre, 11th Floor, Vidhan Bhavan Marg, Nariman Point, Mumbai, Maharashtra, India, 400021

Name of the Member(s):

Registered address:

E-mail Id:

Folio No./Client ID:

DP ID:

I/We being the member(s) holding _____ shares of DSP Finance Private Limited do hereby appoint:

1. Name: _____
Address: _____
E-mail Id: _____
Signature: _____ or failing him;
2. Name: _____
Address: _____
E-mail Id: _____
Signature: _____ or failing him;
3. Name: _____
Address: _____
E-mail Id: _____
Signature: _____;

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **29th Annual General Meeting** of the Company to be held on Friday, September 19, 2025 at 11:30 a.m. at Mafatlal Centre, 11th Floor, Vidhan Bhavan Marg, Nariman Point, Mumbai, 400 021 and at any adjournment thereof in respect of resolutions, as indicated below:

1. To consider and adopt the Annual Financial Statements for the financial year ended March 31, 2025 comprising of the Audited Balance Sheet as at March 31, 2025 and the Statement of Profit & Loss and Cash Flow Statement for the financial year ended on that date together with the Reports of the Board of Directors and the Auditors thereon.

Signed this day of ____, 2025

Signature of shareholder(s): _____

Signature of Proxy holder(s): _____

**AFFIX RE.1/-
REVENUE
STAMP**

Note: Proxy form to be effective, should be submitted at the Registered Office of the Company not less than 48 (forty-eight) hours before the commencement of aforesaid Annual General Meeting.

Route Map of Venue of meeting

