



DMZ Partners Investment Management LLP

PORTFOLIO MANAGEMENT SERVICES

DISCLOSURE DOCUMENT

FORM - C

FORM C

(Regulation 22)

Securities & Exchange Board of India
(Portfolio Managers) Regulations, 2020
(Regulation 22)

DMZ Partners Investment Management LLP

705 Nirman Kendra, Off E Moses Road, Mahalaxmi, Mumbai - 400011.
Telephone: +91 22 24965361

We confirm that:

- (i) The Disclosure Document forwarded to the Board is in accordance with the SEBI (Portfolio Managers) Regulations, 2020 and the guidelines and directives issued by the Board from time to time.
- (ii) The disclosures made in the document are true, fair and adequate to enable the investors to make a well informed decision regarding entrusting the management of the portfolio to us/investment through the Portfolio Manager.
- (iii) The Disclosure Document has been duly certified by an independent Chartered Accountant as on 06th August, 2021. A copy of the Chartered Accountant certificate is enclosed. The details of the Chartered Accountant are as follows:

Name of the Firm : Kamlesh P. Mehta Associates
Proprietor : Kamlesh P. Mehta
Membership No. : 045573
Address : Office #606, Aura Biplax, S.V. Road, Borivali (W), Mumbai 400092
Telephone No. : (022) 28629188

For DMZ Partners Investment Management LLP

Name: Mr. Soumil Zaveri

Designation: Principal Officer

Address: 705 Nirman Kendra, Off E Moses Road, Mahalaxmi, Mumbai - 400011

Date: 06th August, 2021.

Place: Mumbai, India.

DMZ PARTNERS INVESTMENT MANAGEMENT LLP

PORTFOLIO MANAGEMENT SERVICES – DISCLOSURE DOCUMENT

- (i) This Document has been filed with the Securities and Exchange Board of India (SEBI) along with the certificate in the prescribed format in terms of Regulation 22 of the SEBI (Portfolio Managers) Regulations, 2020.
- (ii) The purpose of this Document is to provide essential information about the portfolio services in a manner to assist and enable you in making an informed decision for engaging us as a Portfolio Manager.
- (iii) This document gives necessary information about us as a ‘Portfolio Manager’ required by you as an investor before investing. You are advised to read this document and retain this document for future reference.
- (iv) The details of Principal Officer are as follows:

Name of the principal officer	Mr. Soumil Zaveri
Phone number	+91 22 24965361
E-mail address	soumil@dmzpartners.in

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DMZ PARTNERS INVESTMENT MANAGEMENT LLP

PORTFOLIO MANAGEMENT SERVICES – DISCLOSURE DOCUMENT

1. Disclaimer clause

This document has been prepared in accordance with the SEBI (Portfolio Managers) Regulations, 2020 and filed with the Securities and Exchange Board of India (SEBI). This Document has neither been approved nor disapproved by SEBI nor has SEBI certified the accuracy or adequacy of the contents of this Document.

2. Definitions

In this Disclosure Document, unless the context otherwise requires:

“Act” means the Securities and Exchange Board of India Act, 1992 (Act No. 15 of 1992).

“Bank Account” means one or more bank accounts opened, maintained and operated by the Portfolio Manager in the name of clients or a pool account in the name of the Portfolio Manager in which the funds handed over by the client shall be held by the Portfolio Manager on behalf of the Client.

“Board” or “SEBI” means the Securities and Exchange Board of India established under section of the Act.

“Client” means any person who registers with the Portfolio Manager for availing the services of portfolio management by the Portfolio Manager.

“Custodian” means any person who carries on or proposes to carry on the business of providing custodial services in accordance with the regulations issued by SEBI from time to time.

“Depository Account” means any account of the Client or for the Client with an entity registered as a depository participant under **the SEBI (Depositories and Participants) Regulations, 1996**.

“Distributor” means a person/entity who may refer a client to avail services of Portfolio Manager in lieu of commission/charges (whether known as Channel Partners, Agents, Referral Interfaces or by any other name)

“Document” refers to the risk disclosure document.

“Group companies” means group companies where there is common directorship/management of the Portfolio Manager

“Financial Year” means the year starting from April 1 and ending on March 31 in the following year.

“Funds” means the moneys placed by the Client with the Portfolio Manager and shall include all accretions thereto.

“Funds Managed” means the market value of the Portfolio of the Client as on a date.

“Capital Contribution” or “Initial Corpus” means the value of the Funds and the market value of Securities brought in by the Client and accepted by the Portfolio Manager at the time of registering as a client with the Portfolio Manager.

“Investment Approach” is a broad outlay of the type of securities and permissible instruments to be invested in by the Portfolio Manager for the Client, taking into account factors specific to Clients and securities and includes any of the current Investment Approach or such Investment Approach that may be introduced at any time in future by the Portfolio Manager.

“Portfolio” means the total holdings of all investments, securities and funds belonging to the Client.

“Portfolio Manager” means DMZ Partners Investment Management LLP (DPIM LLP) a limited liability partnership incorporated and registered under the Limited Liability Partnership Act, 2008 and SEBI registered Portfolio Manager having registration number INP000005944.

“PMS” means Portfolio Management Services offered by means DMZ Partners Investment Management LLP (DPIM LLP).

“Principal Officer” means an employee of the Portfolio Manager who has been designated as such by the Portfolio Manager and is responsible for:

- (i) the decisions made by the portfolio manager for the management or administration of portfolio of securities or the funds of the client, as the case may be; and
- (ii) all other operations of the portfolio manager

“Regulations” means the Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020.

“Rules” means the Securities and Exchange Board of India (Portfolio Managers) Rules, 2020.

“NAV” shall mean the sum total of the current value of the securities plus bank balance and receivables less payables and PMS fees.

“NRI” A Non-resident Indian or a person of Indian Origin residing outside India

Words and expressions used in this disclosure document and not expressly defined shall be interpreted according to their general meaning and usage. The definitions are not exhaustive. They shall also carry the meaning assigned to them in the Regulations governing portfolio management services.

3. Description

A. History, present business and background of the Portfolio Manager – DMZ Partners Investment Management LLP

DMZ Partners Investment Management LLP (DPIM LLP) was incorporated on 14th August 2017. DPIM LLP is engaged in the business of providing Portfolio Management Services (Discretionary, Non-discretionary and Advisory services), Fund Management Services and Advisory Services related to investments in equities, debt, derivatives and any financial products to its clients, which may include individuals, corporates, institutions, funds, alternative investment funds, foreign portfolio investors, and all other classes of investors. DMZ Partners Investment Management LLP has received approval from SEBI for rendering Portfolio Management Services on 23rd February, 2018 vide registration number INP000005944.

B. Designated Partners and Key Management Personnel of the Portfolio Manager and their background

Name	Mr. Soumil Zaveri
Correspondence Address	705 Nirman Kendra Off E Moses Road, Mahalaxmi, Mumbai – 400011
Designation	Partner and Principal Officer
Qualification	Soumil Zaveri has completed a Post Graduate Diploma in Business Management from Emeritus Institute of Management and is a Bachelors of Science in Economics from Duke University, USA
Experience	Soumil has over 12 years of experience in global financial markets. He started his career as part of the Healthcare team in Global Investment Research at Goldman Sachs in New York during his internship while pursuing a degree in Economics with a special focus on Investing & Financial Accounting at Duke University where he was also the President of the Duke Investment Club. Post his graduation Soumil continued as an Investment Analyst at Goldman Sachs in New York on the Banking and Financial Institutions team within Global Investment Research where he advised some of the most prominent financial institutions including mutual funds, pension funds and capital allocators on investments in the Banking and Financial Sector in USA through one of the most turbulent times in modern economic history. Following his experience with Goldman Sachs, Soumil returned to India to focus full-time on investment research and investment management for a private family investment office and has been successful in identifying high quality businesses in banking, financials and consumption oriented sectors, among others. Soumil's investing philosophy and views are frequently featured on global investment communities and newsletters such as Bloomberg Quint, Manual of Ideas, Great Investors TV, Latticework, Beyond Proxy and Value Conferences. He is known for his value-based, rational and long-term investment approach. Soumil has also been frequently invited as an instructor at investing conferences like the Asia Investing Summit and has authored several notes on his investment philosophy.

Name	Mr. Sanjay Zaveri
Correspondence Address	705 Nirman Kendra Off E Moses Road, Mahalaxmi, Mumbai – 400011
Designation	Partner
Qualification	Sanjay Zaveri is a Bachelors of Commerce from Sydenham College, Mumbai
Experience	Sanjay was a partner at D-TEC India - a super-abrasive tools processing and trading partnership. In this role he worked closely with General Electric of USA for procuring high quality raw materials which were processed and sold in the domestic markets. Through his hands-on experience as an entrepreneur in India over the past 30 years he has gained significant expertise in business related issues ranging from rational capital allocation, efficient human resource management and building enduring customer relationships among his wide network of partners, dealers, associates and end customers. He also has been an investor in his personal capacity and has extensively managed family investments for over 20 years. He has an affinity toward high quality businesses run by management teams and promoters who adhere to the highest levels of

	corporate governance, business ethics and deal with minority shareholders with an attitude of fairness. Sanjay is an avid reader and is particularly insightful in assessing qualitative aspects of promoters, management teams and their businesses which cannot necessarily be conventionally measured.
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Name	Mr. Mitesh Shah
Correspondence Address	705 Nirman Kendra Off E Moses Road, Mahalaxmi, Mumbai – 400011
Designation	Compliance Officer
Qualification	Mitesh Shah is a Bachelors of Commerce from Byramjee Jeejeebhoy College of Commerce, Mumbai
Experience	Mitesh has been handling operations & compliance procedures at DMZ Partners Investment Management since inception of the firm approximately 4 years ago. Mitesh has 7 years of work experience at Parag Parikh Financial Advisory Services as a Portfolio Management Services Manager involved in several areas including Client trade execution, Generating transaction buy and sell orders on behalf of clients, Client servicing, Maintaining Client Accounts & Agreements, Portfolio Management Services Operations, SEBI reporting requirements, KYC requirements and Liasoning with Custodians, Banks, Fund Accountants to ensure a smooth functioning in PMS operations and ensuring a consistent level of client services. Prior to his role at Parag Parikh Financial Advisory Services, Mitesh was also active as a Trainee at a Chartered Accountant's office where he gained a deeper appreciation of the Accounting and Audit functionalities.

Name	Ms. Shirali Sheth
Correspondence Address	705 Nirman Kendra Off E Moses Road, Mahalaxmi, Mumbai – 400011
Designation	Associate
Qualification	Shirali Sheth is a Chartered Accountant from the Institute of Chartered Accountants of India (ICAI) and a Bachelors in Commerce – Financial Markets from H.R. College of Commerce & Economics, Mumbai
Experience	Shirali has been handling investment research, management and operational responsibilities at DMZ Partners Investment Management since approximately 4 years. Her role includes deep-dive fundamental research projects on portfolio companies, portfolio analysis, client services, ensuring seamless fund accounting, liasoning with custodian and fund accountant, as well as ongoing operational projects. Prior to her current role she was working with Deloitte India for three years where she played a critical role on financial projects related to corporate valuation for large enterprises, deep-dive analysis of interest risk management strategies, currency risks and hedging systems, derivatives exposure analysis, derivatives valuation and financial markets risk management analytics. She is a qualified chartered accountant and has graduated with a focus on financial markets from H.R. College of Commerce & Economics.

C. Group Companies

Sr. No.	Name of Group Company	Nature of interest of applicant company
1	D-TEC India (Partnership Firm)	Soumil Zaveri and Sanjay Zaveri are partners in D-Tec India (Partnership Firm)

The portfolio manager does not avail of any financial services/products from any group companies.

D. Details of the services offered:

DMZ Partners Investment Management LLP will provide Discretionary and Non-Discretionary Portfolio Management and Advisory Services. Please refer to Point 5 for further details.

4. Penalties, pending litigation or proceedings, a finding of inspection and investigations for which action has been taken or initiated by any regulatory authority.

All cases of penalties imposed by SEBI or the directions issued by SEBI under the Act or Rules or Regulations made there under	Nil
The nature of the penalty/direction	Not applicable
Penalties/fines imposed for any economic offence and/ or for violation of any securities laws.	Nil
Any pending material litigation/legal proceedings against the portfolio manager / key personnel with separate disclosure regarding pending criminal cases, if any.	Nil
Any deficiency in the systems and operations of the portfolio manager observed by SEBI or any regulatory agency.	Nil
Any enquiry/ adjudication proceedings initiated by SEBI against the portfolio manager or its directors, Principal Officer or employee or any person directly or indirectly connected with the portfolio manager or its directors, principal officer or employee, under the Act or Rules or Regulations made there under.	Nil

5. Services offered by the Portfolio Manager

Discretionary Services: DMZ Partners Investment Management LLP shall provide discretionary services wherein the Portfolio Manager will exercise sole and absolute discretion in managing funds/securities brought in by the client as per the Portfolio Management Agreement. Subject to terms in the agreement, the Portfolio Manager will have complete discretion to manage, invest and reinvest the funds including to buy, sell or deal in any securities and to take day to day decisions in respect to the portfolio of the client including ensuring safe custody of the securities and monitoring book closures, bonus, rights, dividends etc. so that all the benefits may accrue to the Client's portfolio in a timely manner. The client, under these services, may authorise or restrict the portfolio manager to invest the client's portfolio in specific instruments or securities. The portfolio manager's decision in deployment of the client's portfolio is absolute and final and is not open to review or question by the client during the currency of the agreement except on the grounds of fraud, conflict of interest or gross negligence. The portfolio of any client may differ from another clients' portfolio in the same product/ strategy as per the sole discretion of the portfolio manager.

The investment objective is to generate capital appreciation predominantly through investments in equities with a long-term perspective.

The Portfolio Manager will seek to generate superior long term returns through rigorous fundamental research of companies, deep qualitative and quantitative insights into the companies' business models and management teams as well as a thorough understanding of the range of long term valuations one can rationally ascribe to the companies under study. The investment strategy will largely be agnostic to company size in terms of market capitalization. It is possible that the Portfolio may maintain significant cash in the anticipation of suitable investment opportunity.

Non – Discretionary Services: Under the Non – Discretionary Services, the portfolio of the client shall be managed in consultation with and as per the express instructions of the client. Under this service the assets will be managed as per prior instructions issued by the client from time to time. The client will have complete discretion to decide on the investment (stock quantity and price). The portfolio manager, inter-alia manages transaction execution, accounting and recording of corporate benefits, valuation and reporting aspects on behalf of the client.

Advisory services: The Portfolio Manager will offer clients Advisory Services in relation to the clients' portfolios. Under these services, the portfolio manager will provide advice to the client on investments in general or any specific advice required by the clients and agreed upon in the client's agreement. The portfolio manager will render the best possible advice to the client having regard to the client's needs with regard to portfolio strategy, sectoral strategy, investment or divestment of particular securities, for an agreed free structure, entirely at the Client's risk. The advice provided will be non-binding in nature. The Portfolio Manager shall be solely acting as an advisor to the Client and shall not be responsible for the investment/ divestment of securities and/ or administrative activities of the client and client's portfolio.

Investment Approach - DMZ Partners Inheritors Strategy

We offer a single investment approach: DMZ Partners Inheritors Strategy

Our general philosophy governing investing decisions on behalf of our clients in equity securities is based on the time-tested principles of value investing wherein the aim of capital appreciation is balanced with the objective of capital preservation. Our approach is focused on underlying business fundamentals related to the quality and nature of the business model, operating metrics, historical and expected profitability, balance sheet stability and quality of underlying cash flows. An additional overlay is quantitative and qualitative analysis of business valuation in assessing whether such securities can be purchased at prices which allow for our clients to earn superior rates of return on their capital over long periods of time.

Why is the Investment Approach called "DMZ Partners Inheritors Strategy"?

As an investment philosophy we want our portfolio companies to typify the characteristics of businesses that we would find worthy of ours and our clients' next of kin to inherit over multi-generational timeframes. The basis of selection and identification of such businesses has been highlighted below. In keeping with that ambition, we have titled our portfolio management approach, the "DMZ Partners inheritors strategy".

- A) **Investment Objective** of the investment approach is to create superior wealth-creation outcomes for our clients by investing in a concentrated portfolio of high-quality businesses over unusually

long periods of time and in doing so, attempt to create robust multi-decade investment-returns both in an absolute sense as well as relative to the performance of broader market indices.

B) **Description of types of securities** of the investment approach – the predominant focus will be toward investing in listed equities. Additionally, funds may be deployed into bank balances, liquid mutual fund products and fixed income instruments for the purposes of liquidity management.

C) **Basis of selection of investments** as part of the investment approach will be as follows:

Equity investments

We will seek to own equity shares of companies as per the discretion of the portfolio manager keeping in mind a number of qualitative and fundamental factors as follows:

1. Understandability & Requisite Domain Expertise - Our ability to comprehend the dynamics of the company and its industry should be robust.
2. Strong Economic Moats & Competitive Advantages - Companies that have wide competitive advantages surrounding their business models which are likely to persist across business cycles.
3. Prudent Capital Allocation Track Records - Companies that deliver sustainable, high returns on capital over long periods of time and have meaningful reinvestment opportunities.
4. High Scalability - Companies which have the potential to reinvest profits into core business areas to fuel future earnings power growth at compelling rates of return on capital invested.
5. Resilience - Companies that have the ability to perform well in a wide variety of alternative outcomes and are not overly reliant on specific macroeconomic or regulatory conditions.
6. Quality of Management & Promoters - Businesses which are run by individuals and teams possessing the highest levels of integrity who treat minority shareholders fairly and as true economic partners of the enterprise.

The confluence of the above factors when found at rational prices, will be identified for investment for our clients' portfolios. The portfolio will be concentrated in nature, usually comprising of less than 15 investments and may have substantial concentration to specific securities, sectors and industries as per the discretion of the portfolio manager. As such, the approach is suitable for investors with a multi-decade time-horizon and high risk-appetite due to the stock-specific and sector-specific concentration implied in the deployment of the investment approach.

Bank Balances, Liquid Mutual Fund Products, Fixed Income Instruments

For the purposes of liquidity management, we may deploy funds in bank balances, liquid mutual fund products or fixed income instruments of well reputed, financially robust entities.

D) **Allocation of portfolio** across types of securities – The allocation of portfolio will be focused toward listed equities. In most market conditions, listed equities allocation will be the predominant allocation in the portfolio. The remaining portfolio allocation may be invested in Bank balances/ Liquid Mutual Funds/ Fixed Income instruments as per the portfolio manager's discretion. The portfolio created under the Investment Approach (DMZ Partners Inheritors Strategy) will be a concentrated portfolio usually not exceeding 15 companies. The underlying equity selection will be agnostic to market capitalization of selected investments as per the discretion of the portfolio manager.

E) **Benchmark** for comparative performance – Nifty 50

The NIFTY 50 is a diversified 50 stock index accounting for 13 sectors of the economy. It is used for a variety of purposes such as benchmarking fund portfolios, index based derivatives and

index funds. Investors usually have the ability to easily invest in a low-cost index fund such as the Nifty-50 and benefit from the returns provided by the index. Our objective over the long-run is to provide a superior alternative by means of concentrated portfolio construction in high conviction ideas irrespective of market capitalization of our underlying investments relative to a broadly diversified index approach. Hence, the Nifty 50 is a suitable benchmark for assessing comparative performance.

- F) **Indicative Tenure & Investment Horizon** – We believe meaningful outperformance relative to broader markets from a concentrated investment approach is more likely over unusually long periods of time and hence, consider a tenure and investment horizon of over 20 years as appropriate. Hence, the approach is most suitable to investors who have the ability and desire to invest over such a long-term time horizon.
- G) **Suitability** - The strategy is suitable for a high-risk investor who is aware of the risks associated with concentrated investing in equity shares, but who is seeking higher than long term market returns by investing in a concentrated, actively managed long-term portfolio.

Policy for Investment in Associate/ Group Companies:

The Portfolio Manager will not invest in the securities of any associate/ group companies.

Minimum Investment Amount:

The Client shall deposit with the Portfolio Manager, an initial corpus consisting of Securities and /or funds of an amount prescribed by Portfolio Manager for a specific Portfolio, subject to minimum amount as specified under SEBI Regulations, as amended from time to time. The Client may on one or more occasion(s) or on a continual basis, make further placement of Securities and / or funds under the service, subject to discretion of the Portfolio Manager.

Distributor Arrangements

We do not avail of any distribution or solicitation services from any distributors/ distribution agents and hence incur no commission costs related to the same. As a matter of prudence, we do not intend to use any distributor services or distribution arrangements for solicitation or acquisition of clients.

Given that there are no distribution relationships, all clients have the option to onboard directly for portfolio management services offered by the portfolio manager.

6. Risk Factors

The risk factors given below are applicable to all strategies offered by the Portfolio Manager.

- Securities investments are subject to market risks and there is no assurance or guarantee that the objective of investments will be achieved.
- Past performance of the Portfolio Manager is not indicative of its future performance. This applies to all future strategies that the Portfolio Manager may launch.
- The Portfolio Manager has limited experience and track record in managing portfolios of other investors.
- Investments made by the Portfolio Manager are subject to risks arising from the investment approach, investment objective, investment strategy and asset allocation. The investment approach, investment objective, strategy and asset allocation may differ from client to client.
- Investments in equities may be adversely affected by the performance of companies, changes in the economy, government policies, the marketplace, credit ratings, industry factors and various other macroeconomic factors.

- Investments are subject to market risk arising out of non-diversification. Diversification of portfolio across asset classes, investment themes, sectors and securities is normally considered to be less risky for investors. It is to be noted that the portfolio is more likely to be focused on a single asset class, namely equities, which inherently can be volatile. Further, the portfolio could be subject to more risk on account of its concentration of investments into a few sectors or a limited number of securities. In addition, the portfolio could be prone to higher risk on account of non-diversification across market capitalizations in the event that the portfolio has a bias towards mid or small cap companies.
- Investors are not being offered any guaranteed or assured return/s i.e. either of Principal or appreciation on the portfolio.
- Investors may note that the Portfolio Manager's investment decisions may not always be profitable, as actual market movements may be at variance with anticipated trends.
- Changes in Applicable Law may impact the performance of the Portfolio.
- The Portfolio Manager may retain substantial cash and equivalent holdings in the Portfolio of the Clients in anticipation of future opportunities. Such decisions may lead to suboptimal outcomes in terms of portfolio performance in the interim.
- The valuation of the Portfolio's investments, may be affected generally by factors affecting securities markets, such as price and volume volatility in the capital markets, interest rates, currency exchange rates, changes in policies of the Government, taxation laws or any other appropriate authority policies and other political and economic developments which may have an adverse bearing on individual securities, a specific sector or all sectors including equity and debt markets. There will be no prior intimation or prior indication given to the Clients when the composition/ asset allocation pattern changes.
- In case of a company's IPO, the investments may be subject to a regulatory lock in, if any, as prescribed by SEBI from time to time. Many of such investments made by the Portfolio Manager may be illiquid and there can be no assurance that the Portfolio Manager will be able to realize value from such investments in a timely manner. Such investments involve a higher degree of risk and poor performance of such investments could lead to adverse effects on the investor portfolios.
- Securities which are not quoted on the stock exchanges, are inherently illiquid in nature and carry a larger amount of liquidity risk, in comparison to securities that are listed on the exchanges or offer other exit options to the investor, including a put option. Unlisted securities may however increase the risk of the Portfolio. Such investments shall be subject to the scope of investments as laid down in the Agreement.
- While securities that are listed on the stock exchange carry relatively lower liquidity risk, the ability to sell these investments is limited by the overall trading volume on the stock exchanges. Money market securities, while fairly liquid, lack a well-developed secondary market, which may restrict the selling ability of the Portfolio(s) and may lead to the investment(s) incurring losses till the security is finally sold.
- Liquidity or Marketability Risk: Certain securities may become impossible to sell or not marketable due to the absence of any potential buyers. In such situations, the investment in the securities may be lost or its realization may be inordinately delayed
- Interest Rate Risk: As with all debt securities, changes in interest rates may affect valuation of the Portfolios, as the prices of securities generally increase as interest rates decline and generally decrease as interest rates rise. Prices of long-term securities generally fluctuate more in response to interest rate changes than prices of short-term securities. Indian debt markets can be volatile

leading to the possibility of price movements up or down in fixed income securities and thereby to possible movements in the valuations of Portfolios.

- **Credit Risk:** Credit risk or default risk refers to the risk that an issuer of a fixed income security may default (i.e., will be unable to make timely principal and interest payments on the security). Because of this risk corporate debentures are sold at a higher yield above those offered on Government Securities which are sovereign obligations and free of credit risk. Normally, the value of a fixed income security will fluctuate depending upon the changes in the perceived level of credit risk as well as any actual event of default. The greater the credit risk, the greater the yield required for someone to be compensated for the increased risk.
- **Mutual Fund Risk:** This risk arises from investing in units of Mutual funds. Risk factors inherent to equities and debt securities are also applicable to investments in mutual fund units. Further, scheme specific risk factors of each such underlying scheme, including performance of their underlying stocks, derivatives instruments, stock lending, off-shore investments etc., will be applicable in the case of investments in mutual fund units. In addition, events like change in fund manager of the scheme, take over, mergers and other changes in status and constitution of mutual funds, foreclosure of schemes or plans, change in government policies could affect performance of the investment in mutual fund units.
- **Reinvestment Risk:** This risk refers to the interest rate levels at which cash flows received from the securities under a particular Portfolio are reinvested. The additional income from reinvestment is the “interest on interest” component. The risk is that the rate at which interim cash flows can be reinvested may be lower than that originally assumed.
- **Currency Risk:** The Portfolio Manager may also invest in securities denominated in foreign currencies as permitted by the concerned regulatory authorities in India. To the extent that the portfolio of the Scheme will be invested in securities/ instruments denominated in foreign currencies, the Indian Rupee equivalent of the net assets, distributions and income may be adversely affected by changes/fluctuation in the value of certain foreign currencies relative to the Indian Rupee. The repatriation of capital to India may also be hampered by changes in regulations concerning exchange controls or political circumstances as well as the application to it of other restrictions on investment.
- **Derivative risk:** The Portfolio Manager may use various derivative products as permitted by the Regulations. Use of derivative requires an understanding of not only the underlying instrument but also of the derivative itself. Other risks include the risk of mispricing or improper valuation and the inability of derivatives to correlate perfectly with underlying assets, rates and indices.
- **Political and Socio-Economic factors:** Changes in Indian law or regulations and the status of India’s relations with other countries may adversely affect the value of the Portfolio. In addition, the Indian economy may differ favorably or unfavorably from other economies in several respects, including the rate of growth of gross domestic product, the rate of inflation, capital reinvestment, resource self-sufficiency, future actions of the Indian central government or the respective Indian state governments could have a significant effect on the Indian economy, which could adversely affect investments, market conditions and prices and yields of the portfolio securities. The occurrence of selective unrest, or external tension, could adversely affect India’s political and economic stability and, consequently, adversely affect investment in Portfolio Companies. India’s Political, Economic and Social stability is related to various factors such as the possibility of nationalization, expropriations or taxation amounting to confiscation, political changes, government regulation, social instability, diplomatic disputes or other similar developments which are beyond the control of the Portfolio Manager, could adversely affect portfolio investments.
- **Tax risks:** Clients are subject to a number of risks related to tax matters. In particular, the tax laws relevant to the Portfolio Manager and the environment in which the Portfolio Manager operates and securities of the companies in which the Portfolio Manager invests are subject to change, and

tax liabilities could be incurred by Clients as a result of such changes. The tax consequences of an investment in Portfolio are complex, and the full tax impact of an investment will depend on circumstances particular to each Client investor and the additional peculiarities associated with respect to activities of each Portfolio Company and securities issued by such Companies. Accordingly, prospective clients are strongly urged to consult their tax advisors with specific reference to their own situations

- Risks may also arise due to the inherent nature/ risk in stock markets such as volatility, market scams, circular trading, price rigging, liquidity changes, de-listing of securities or market closure, small number of scrips accounting for large proportion of trading volume, among others
- Prospective clients should review / study the Disclosure Document carefully and in its entirety. They should note that this document does not claim to offer advice relating to legal, taxation, financial or investment matters and are advised to consult their own professional advisor(s) on suitability of equities as an asset class for their investments and suitability of DMZ Partners Investment Management LLP as a Portfolio Management Services provider.
- DPIM LLP, the partners and employees of DPIM LLP may purchase and/or sell securities in the ordinary course of business and in that manner there may arise conflicts of interest with transactions made by the portfolio manager on behalf of clients.
- The portfolio manager does not avail of any financial services/products from any group companies.

7. A. Client Representation

DMZ Partners Investment Management LLP does not have any interest in any other intermediation business like broking, depository, custody, etc. Its revenues are linked only to the portfolios that it manages. DPIM LLP will make best efforts to manage client accounts in the best interest of the client. DPIM LLP shall not benefit from individual client accounts in any other manner apart from the management and performance linked fees charged to the client. The Portfolio Manager was incorporated on 14th August, 2017 and received SEBI registration on 23rd February, 2018.

Category of Clients	No. of Clients	Funds Managed (Rs. In Crs)	Discretionary/ Non-Discretionary
Associates/ Group Companies			
F.Y 2017-2018	NA	NA	NA
F.Y 2018-2019	NA	NA	NA
F.Y 2019-2020	NA	NA	NA
F.Y 2020-2021	NA	NA	NA
F.Y 2021-2022 (till 31 st July, 2021)	NA	NA	NA
Others			
F.Y 2017-2018	2	7.08	Discretionary
F.Y 2018-2019	86	152.14	Discretionary
F.Y 2019-2020	103	140.55	Discretionary
F.Y 2020-2021	110	280.97	Discretionary
F.Y 2021-2022 (till 31 st July, 2021)	109	321.42	Discretionary

B. Related Party Transactions

Names of related parties where there were transactions during the year

Sr.No.	Name of related party	Nature of relationship
1	Soumil Sanjay Zaveri	Key Management Personnel (KMP)
2	Sanjay Dinesh Zaveri	Key Management Personnel (KMP)
3	Shirali Hiten Sheth	Key Management Personnel (KMP)
4	Mitesh Shailesh Shah	Key Management Personnel (KMP)
5	Manisha Sanjay Zaveri	Related party – Wife of Sanjay Dinesh Zaveri
6	Nidhi Soumil Zaveri	Related party – Wife of Soumil Sanjay Zaveri

Details of related party transactions

Nature of transactions	FY 18-19	FY 19-20	FY 20-21
<u>Key Management Personnel (KMP)</u>			
NAV of KMP in Portfolio Management Services (INR)	6,83,21,611 (31 st March, 2019)	6,97,06,368 (31 st March, 2020)	8,68,23,449 (31 st March, 2021)
Fees/ charges paid by KMP to DMZ Partners Investment Management LLP (INR)			
- Soumil Sanjay Zaveri	-	33,754	16,218
- Sanjay Dinesh Zaveri	3,21,274	27,265	7,628
- Shirali Hiten Sheth	1,54,491	8,171	64,038
<i>Total fees/charges paid by KMP</i>	4,75,765	69,190	87,884
Remuneration paid to partners (INR)			
- Soumil Sanjay Zaveri	6,60,000	-	10,80,000
- Sanjay Dinesh Zaveri	5,40,000	-	13,20,000
<i>Total Remuneration paid to partners</i>	12,00,000	-	24,00,000
Salary paid to KMP (INR)			
- Shirali Hiten Sheth	5,11,700	10,89,500	11,02,500
- Mitesh Shailesh Shah	5,82,800	10,69,500	11,02,500
<i>Total Salary paid to KMP</i>	10,94,500	21,59,000	22,05,000
<u>Related Parties</u>			
Rent paid to Manisha Sanjay Zaveri (INR)	9,00,000	12,00,000	12,00,000
Salary paid to Nidhi Soumil Zaveri (INR)	3,85,000	7,14,667	7,35,000

8. Financial Performance of the Portfolio Manager

The Portfolio Manager was incorporated on 14th August, 2017. The company commenced portfolio management services only upon receipt of SEBI registration on 23rd February, 2018. DMZ Partners Investment Management LLP satisfies the minimum net-worth criteria as mandated by SEBI of INR 2 Crores. Additionally, the higher net-worth requirement for Portfolio Managers will be satisfied in accordance with the timeline provided by SEBI (Portfolio Managers) Regulations, 2020. The Financial Performance of the company for the last four financial years are given below: (in INR)

Particulars	FY 17-18	FY 18-19	FY 19-20	FY 20-21
Total Income	9,28,684	1,47,32,891	48,35,910	2,17,98,307
Profit / (Loss) after Tax	(20,40,912)	46,18,789	(66,98,453)	80,95,241

9. Portfolio Management Performance of the Portfolio Manager

FY 2017-18 refers to the period between 20th March, 2018 when the first client corpus was introduced to 31st March, 2018. The following table provides details of the number of investors, total assets under management (AUM) and portfolio performance (inclusive of all fees and charges) based on the 'Time Weighted Rate of Return' method in terms of Regulation 22 of SEBI (Portfolio Managers) Regulations 2020, of the Portfolio Manager:

Particulars	FY 17-18*	FY 18-19	FY 19-20	FY 20-21	FY 21-22 (till 31 st July, 2021)	Since Inception
Portfolio performance	2.80%	17.90%	-27.69%	76.05%	10.21%	70.04%
Nifty 50	0.19%	14.93%	-26.03%	70.87%	7.30%	56.16%
Number of investors	2	86	103	110	109	109
Assets under management - INR Crores	7.08	152.14	140.55	280.97	321.42	321.42

* Refers to the period between 20th March 2018 - 31st March 2018

Note: Please note that performance related data has not been verified by SEBI.

10. Audit Observations

The following are the details of the audit observations for the preceding 4 years:

Particulars	Audit observations
F.Y 2017-2018	Nil
F.Y 2018-2019	Nil
F.Y 2019-2020	Nil
F.Y 2020-2021	Nil

11. Nature of fees and expenses:

The following are indicative types of expenses. The exact basis of charge relating to each of the following services shall be annexed to the Portfolio Management Services Agreement and the agreements in respect of each of the services availed at the time of execution of such agreements.

(a.) Annual Management Fees**Prior to 31st December, 2019**

This fee relates to the portfolio management services offered by Portfolio Manager where the clients were charged fixed annual management fees ranging from Nil to INR 1,25,000. Taxes including GST were charged on the fees as applicable.

Post 1st January, 2020

This fee relates to the portfolio management services offered by Portfolio Manager where the clients are charged a percentage based annual management fee ranging from Nil to 2.5% per annum on average daily assets under management charged annually and billed quarterly. Taxes including GST are charged on the fees as applicable

(b.) Performance Fee

The Portfolio Manager shall charge performance based fees annually ranging from Nil to 20% on increase in portfolio value in excess of the previously achieved highest value (high watermark principle) and a 10% hurdle rate. Taxes including GST are charged on the fees as applicable.

(c.) Exit Fees / Load

If the redemption is done prematurely (within 2 years of account opening) at the option of the client, the Portfolio Manager may levy Exit Charges ranging from NIL to 2% of the client corpus.

(d.) Custodian/Depository Participant fee

The charges relating to opening and operation of demat accounts, custody and transfer charges of shares, bonds and units, custodian charges, etc. will not be exceeding 10 basis points (0.10%) annually of the average daily assets under management of the client. These charges are charged on a quarterly/annual basis as specified in the Portfolio Management Services Agreement. Taxes including GST are charged on the fees as applicable.

(e.) Brokerage and transaction cost

The Brokerage and other charges like Service tax, Stamp Duty, Security Transaction Tax, SEBI fees, Exchange fees, Settlement charges, Bank charges, Turnover Tax, Foreign Tax, GST and other charges (if any), as per the rates existing from time to time, will be charged on actual. The investment by Portfolio Manager will be done by any SEBI Registered stock broker only and would be as per the rates negotiated between Portfolio Manager and the broker. The charges relating to brokerage will be recovered on actual by Portfolio Manager.

(f.) Registrar and transfer agent fee

Charges payable to the Registrar and Share Transfer Agents in connection with effecting transfer of securities and bonds, units, etc. including stamp charges, cost of affidavit, notary charges, postage and courier charges and other related charges will be recovered on actual.

(g.) Certification charges and Professional fees

Any charges payable for outsourced professional services like taxation, auditing, and any legal services, franking charges and notarizations, etc. incurred on behalf of the client by the Portfolio Manager, will be charged to the client on actual.

(h.) Out of Pocket and Other Incidental Expenses

Charges in connection with day to day operations like courier expenses, stamp duty, document franking charges, notary charges, service tax, other statutory levies, opening of bank, trading and demat accounts and any other out of pocket expenses incurred by the Portfolio Manager, on behalf

of the client, would be recovered from the client. Any other charges and levies by the Government or other regulatory authorities, such as GST and other charges levied by third parties in connection with transactions executed by the Portfolio Manager on behalf of the client. All aforementioned expenses would be to the account of the client on the basis of actual expenses.

12. TAXATION

As per the taxation laws in force as at the date of the Disclosure document, the tax implications to the clients under the Portfolio Management service are stated herein below. The information so stated is based on the Company's understanding of such tax laws in force as on date of the Disclosure document.

The following information is provided only for general information purposes. The tax laws mentioned are subject to change from time to time. In view of the individual nature of tax consequences, each Client is advised to consult his/her tax advisor with respect to the specific tax consequences to him/her of participation in the Portfolio Management Services. The clients are best advised to take independent opinion from their respective tax advisors / experts for any income earned from such investments. The Portfolio Manager shall not be responsible for assisting in or completing the fulfilment of the Client's tax obligations. The provisions of the Income Tax Act, 1961 shall apply to the client and the Portfolio Manager in respect of their Individual income. The Portfolio Manager will provide adequate statements with regards to the accounts of the client with the portfolio manager for accounting and taxation purposes. It shall be the Client's responsibility to meet the obligation on account of advance tax instalments payable on the due dates under the Income Tax Act, 1961.

The tax implications in the hands of investors on different income streams are discussed below:

A. Dividend Income

Till FY 2019–20, dividends declared by Indian companies were exempt from tax in the hands of the Investors under section 10(34) of the Income Tax Act, 1961. Indian companies would be liable to pay Dividend Distribution Tax (DDT) at the effective rate of 20.56% for F.Y.2019–20 of the dividends at the time of distributing dividends to the investors. However, Finance Act 2020 has shifted the burden of taxation on the recipients and accordingly they will be taxed at the applicable income slab rates at an individual level from FY 2020–21 onwards. Further, such dividends received by a recipient will also attract tax deduction at source (TDS) by the dividend declaring company as per the applicable rates issued from time to time, if the dividend amount exceeds INR 5,000 in a financial year.

Further, dividends declared by all mutual funds are also taxable in the hands of Investors in the same manner.

B. Interest Income

For F.Y.2020–21, any income in the nature of interest income would be subject to tax at the applicable income slab rates.

Investments made by non- resident Indian ('NRI') individual investors are entitled to be governed by the special tax provisions under Chapter XII-A of the Income Tax Act, 1961 and if the NRI investors opt to be governed by these provisions under the Income Tax Act, 1961, the interest income from specified assets (which includes debentures issued by public companies) would be taxable at the rate of 23.92% on gross basis for F.Y.2020–21.

C. Capital Gains

a) **Short term Capital Gains:**

In respect of gains made on investments held for a period of not more than 12 months is added to the total income of the individual. Total income including short term capital gains is chargeable to tax as per the relevant slab rates. The maximum tax rates applicable to different categories of assesses are as follows (plus surcharge and cess wherever applicable on the total tax payable):

Resident Individuals and HUF	30%
Partnership Firms	30%
Indian Companies (up 400 crores Turnover in the previous year)	25%
Indian Companies (> 400 crores Turnover in the previous year)	30%
Non Resident Indians	30%
Foreign Companies	40%
Overseas Financial Organisations (Corporate)	40%
Overseas Financial Organisations (Non-Corporate)	30%
Local Authorities	30%
Co-Operative Society	Progressive Slab

However, Short Term Capital Gains made on transfer of equity shares or units in equity oriented mutual fund, where the transaction of sale is entered into on a recognized stock exchange in India, is chargeable to tax at a concessional rate of 15% plus surcharge and cess as applicable. Further, such transactions are chargeable to Securities Transaction Tax (STT) at the applicable rates. With respect to Short Term Capital Gains on Debt Oriented Schemes / Money Market and Liquid Schemes, gains are taxed at the respective slab rates pertaining to the various categories of assesses as mentioned above.

Note: Units held in equity-oriented schemes for a period of more than 12 months is considered as Long-Term Capital Gains and for a period of 12 months or less is considered as Short-Term Capital Gains. Units held in debt-oriented schemes for a period of more than 36 months is considered as Long-Term Capital Gains and for a period of 36 months or less is considered as Short-Term Capital Gains.

b) **Long term Capital Gains:**

(i) Resident Individuals and Hindu Undivided Families:

Long term capital gains in respect of investments held for a period of more than 12 months will be chargeable under section 112 of the Income Tax Act, 1961 at the rate of 10% plus surcharge and cess (without indexation benefit) on gains exceeding INR 1 Lakh provided transfer of such equity shares or units in equity oriented schemes is subject to Securities Transaction Tax (STT).

Section 10(38) inter alia, provides for exemption from tax on the income arising from the transfer a long term capital asset (being an equity share in a company or a unit of an equity oriented fund) subject to certain conditions. However, the exemption under section 10 (38) will not be available if equity shares / units are transferred on or after April 1, 2018. Tax on long term capital gains which arises on transfer of listed equity shares or units of equity oriented mutual funds on or after April 1, 2018 will be calculated as per special provisions in Section 112A. If section 112A is not

applicable, then tax will be calculated under the existing provision of Section 112. As per section 112A, long term capital gains arising out of the sale of equity oriented mutual funds schemes and equity shares will now be taxed at the rate of 10% without any benefit of indexation if the capital gain exceeds INR 1 lakh in a year. Further, there is no change in the period of holding to qualify for long term asset. Upon insertion of this new section, with effect from April 1, 2018 both Capital gains tax and STT will be levied on the gains arising in excess of INR 1 Lakh in a particular fiscal year. A short-term relief has been given for the investors that the current exemption under section 10(38) would continue on appreciation in value till 31st January 2018 and only the gains that would arise after such date will be taxable.

Further, in the case of individuals and Hindu Undivided Families, being resident, where taxable income as reduced by long term capital gains, is below the basic exemption limit, the Long term capital gains after reducing the un-availed basic exemption limit (only after adjusting all other incomes and without adjusting against deductions under Chapter VI-A) will be subject to Income Tax at 20% or 5% (depending on the arrived amount) plus surcharge plus Health and Education Cess as applicable on such tax.

(ii) Partnership firms, Indian companies and other Residents:

Long term capital gains will be subjected to Income tax at the rate of 20% with respect to Debt Oriented Schemes/ Money Market and Liquid Schemes after providing indexation benefit and at 10% with respect to equity shares/ Equity Oriented Schemes plus surcharge, Health and Education Cess as applicable on such tax as the case may be.

(iii) Non-Resident and Foreign companies:

Long term capital gains will be subjected to Income Tax at the rate of 20% with respect to Debt Oriented Schemes/ Money Market and Liquid Schemes after providing indexation benefit and 10% with respect to equity shares/ Equity Oriented Schemes plus surcharge, Health and Education Cess as applicable on such tax. However, no benefit of indexation is available.

Further, long term capital gains will be subjected to Income Tax at the rate of 10% plus surcharge, Health and Education Cess as applicable on such tax provided the capital gains aroused from transfer of such capital asset being unlisted securities or shares of a company not being a company in which the public are substantially interested.

(iv) Non-Resident Indians (NRI):

Under Section 115E of the Income Tax Act, 1961, for Non-Resident Indians, any income from investment or income from long term capital gains of an asset other than a specified asset and income by way of Long term capital gains is chargeable at the rate of 20% (with respect to Debt oriented Schemes / Money Market and Liquid Schemes) after providing indexation benefit and 10% (with respect to equity shares or unites in Equity Oriented Schemes without indexation benefit on gains exceeding INR 1 lakh provided transfer of such units is subject to STT) plus applicable surcharge plus Health and Education Cess as applicable on such tax respectively.

Non-Resident Indians may opt for computation of long-term capital gains as per section 112, which is more beneficial. Further, in the case of Non-Resident Indian (Individual or HUF), LTCG cannot be adjusted against the basic exemption limit. Therefore, in the case of NRI even if the taxable income is Nil and has booked long term capital gains against the capital asset, the NRI has to pay Long term capital gains tax at the rate depending on the asset class.

c) Carry forward of losses and other provisions (applicable to both equity products irrespective of the residential status)

As per the Income Tax Act, 1961, short term capital loss arising during a year can be set-off against short term as well as long term capital gains. Balance loss, if any, shall be carried forward and set-off against any capital gains arising during the subsequent 8 assessment years. A long-term capital loss arising during a year is allowed to be set-off only against long term capital gains. Balance loss, if any, shall be carried forward and set-off against long term capital gains arising during the subsequent 8 assessment years.

Goods and Service Tax

From July 1, 2017 onwards, India has introduced Goods and Service Tax (GST). Post introduction of GST, many Indirect tax levies (including service tax) have been subsumed and GST shall be applicable on services provided by the Portfolio Manager. GST rate on such services is currently 18%. Accordingly, GST at the rate of 18% would be levied on fees/charges payable (if any) to the Portfolio Manager.

Details under FATCA/ Foreign Tax Laws

Tax regulations require us to collect information about each investor's tax residency. If you have any questions about your tax residency, please consult your tax advisor. Foreign account tax compliance provisions (commonly known as FATCA) are contained in the US Hire Act 2010. Applicants (including joint holders, Guardian, POA holder) are required to refer and mandatorily fill/ sign off a separate "FATCA declaration form". Applications without this information will be deemed incomplete and are liable to be rejected. Investors are requested to note that the contents of the information to be provided in the application form may undergo a change on receipt of communication/ guidelines from SEBI.

THERE CAN BE NO GUARANTEE THAT THE ABOVE POSITION REGARDING TAXATION WOULD BE NECESSARILY ACCEPTED BY THE INDIAN TAX AUTHORITIES UNDER THE INCOME TAX ACT, 1961. NO REPRESENTATION IS MADE EITHER BY THE PORTFOLIO MANAGER OR ANY EMPLOYEE IN REGARD TO THE ACCEPTABILITY OR OTHERWISE OF THE ABOVE POSITION REGARDING TAXATION BY THE INDIAN TAX AUTHORITIES UNDER THE INCOME TAX ACT, 1961. INVESTORS ARE URGED TO CONSULT THEIR OWN TAX ADVISERS IN THIS REGARD.

13. ACCOUNTING POLICY / VALUATIONS

The following accounting policy will be applied for the portfolio investments of the Client:

Contribution to the Portfolio

Contribution to the portfolio by way of securities is recorded at the day's closing market value on the day the securities are received by the portfolio manager.

Portfolio Investments

- The Portfolio Manager shall keep and maintain proper books of accounts, records and documents, for each Client so as to explain transactions for each Client and to disclose at any point of time the financial positions of each of the Client and in particular to give a true and fair view of the state of affairs of the Portfolio of each Client.

Where the Security (equity and equity related instrument) is traded on NSE the day's closing price on NSE will be considered for valuing Securities. If it is not traded on NSE, then the day's closing price on BSE will be considered. If the Security is not traded on either exchange on that day, then the last traded price will be considered. However, if the Security is not traded for 30 days preceding the valuation date, then the Security shall be treated as non-traded security and valued accordingly.

- The previous day scheme NAVs or latest NAVs declared by Mutual Funds (as per The Association of Mutual Funds in India (AMFI) website or a market accepted third party) will be used to value Mutual Fund investments.
- For the purpose of financial statements, the Portfolio Manager shall mark all the investments on mark to market. Where market price is not available (for e.g. unlisted securities), investments will be valued by the Portfolio Manager either at cost or using standard valuation models like DCF, book value multiple, relative value or replacement value, independently or in combination.
- Dividend income shall be tracked from the date of declaration and recognized on the date of the security being quoted on an ex-dividend basis. For unlisted investments, dividend income would be recognized on the date of declaration.
- Bonus units shall be tracked from the date of declaration and recognized on the date of the Security being quoted on an ex-bonus basis. For unlisted investments, bonus units would be recognized on the date of declaration. Rights units shall be recognized on the date of the security being quoted on an ex-rights basis.
- In respect of all interest-bearing investments, income shall be, unless otherwise provided for, accrued on a daily basis as it is earned. Therefore, when such investments are purchased, interest paid for the period from the last interest due date up to the date of purchase shall be treated as interest receivable and not added to the cost of purchase, unless the interest was included in the purchase price.
- First in First out (FIFO) method shall be followed to determine the holding cost of investments and profit/ loss on sale of investments.
- Purchase and sale transactions shall be recognized on the trade date and not as of the settlement date, so that all the investments made during a period are recorded and reflected in the same period. In case of failure of settlement, the record shall be appropriately readjusted. Where investment trades are made outside the stock exchange (example units of mutual fund, private equity, etc.), the purchase transaction would be recorded as of the date on which the Client obtains an enforceable obligation to pay the purchase consideration and the sale transaction would be recorded as of the date on which the Client obtains an enforceable right to collect the sale consideration.
- Where any income receivable on investments has accrued and is due but not received for a period of greater than 6 months, adequate provisions shall be made.
- The cost of investments acquired and/or purchased shall include all such costs incurred for effecting such acquisition/purchase. In respect of privately placed Securities, any front-end discount offered shall be reduced from the cost of investment.
- The accounting policies and standards as stated above may be modified from time to time by the Portfolio Manager, subject to such modifications being in conformity with the applicable regulations.
- The Client may contact the customer services official of the Portfolio Manager for clarifying or elaborating on any of the above policy issues.

14. Investor Services

(a.) Details of the investor relations officer

Name, address and telephone number of the investor relations officer who shall attend to the Client's queries and complaints:

Name	Mr. Mitesh Shah
Designation	Compliance Officer
Address	705 Nirman Kendra, Off E Moses Road, Mahalaxmi, Mumbai - 400011
Telephone	+91 22 24965361
Email	frontdesk@dmzpartners.in

The official mentioned above will ensure prompt investor services. The Portfolio Manager will ensure that this official is vested with the necessary authority, independence and the wherewithal to handle investor complaints.

(b.) Grievance Redressal and Dispute Settlement mechanism

The Portfolio Manager will endeavour to address all complaints regarding service deficiencies or causes for grievance, for whatever reason, in a reasonable manner and time.

DMZ Partners Investment Management LLP has designated **Mr. Mitesh Shah as Compliance Officer** to receive and redress all the queries. The designated email address for all such queries is **frontdesk@dmzpartners.in**

The internal deadline for resolving all complaints will be as follows:

- 1) Matters relating to DMZ Partners Investment Management LLP operations ie. regarding portfolio performance, fund allocation: within 5 working days
- 2) Matters relating to the appointed Custodian: within 7 working days
- 3) Matters relating to dividends and other corporate actions: will be followed up rigorously with all agencies concerned under intimation to Clients.

DMZ Partners Investment Management LLP will ensure that every complaint is attended to immediately and an acknowledgement is given in a timely manner. The register of complaints and grievances received on email will be made available to the internal/ external auditors during the time of Audit and to the regulatory authorities.

15. **SEBI SCORES Platform**

SEBI has launched a centralized web-based complaints redress system (SCORES), which enable investors to lodge and follow up their complaints and track the status of such complaints from anywhere. This also enables the market intermediaries to receive the complaints from investors against them, redress such complaints and report redressal. Investors can register/ lodge complaints online on the SCORES (SEBI Complaints Redress System) portal at <https://scores.gov.in/scores/Welcome.html> by clicking on complaint registration under "Investors Corner".

For **DMZ Partners Investment Management LLP**



Soumil Zaveri
Designated Partner & Principal Officer



Sanjay Zaveri
Designated Partner

Date: 06th August, 2021

Place: Mumbai

DMZ PARTNERS INVESTMENT MANAGEMENT LLP**Balance Sheet as at 31 March 2021**

	Schedule	As at 31 March 2021 (Amounts in INR)	As at 31 March 2020 (Amounts in INR)
LIABILITIES			
Partners' contribution	1	2,25,00,000	2,25,00,000
Partners' current accounts	2	2,26,28,093	77,79,424
Current liabilities and provisions	3	51,32,925	2,75,580
Total		5,02,61,017	3,05,55,003
ASSETS			
Fixed assets	4	12,58,300	14,36,061
Investments in equity shares		2,20,57,202	2,30,61,947
Current assets, loans and advances	5	2,69,45,516	60,56,995
Total		5,02,61,017	3,05,55,003

NOTES TO ACCOUNTS**9**

The schedules referred to above form an integral part of the financial statements

As per our report of even date

For D Ajmera & Co.
Chartered Accountants
Firm Registration No.: 100242W

Dinesh Chandulal Ajmera
Digitally signed by Dinesh Chandulal Ajmera
Date: 2021.08.05 19:13:28 +05'30'

SANJAY DINESH
ZAVERI

For and on behalf of DMZ Partners Investment Management LLP
LLPIN: AAK - 3144

Digitally signed by SANJAY DINESH ZAVERI
Date: 2021.08.05 19:09:31 +05'30'

SOUMIL SANJAY ZAVERI
Digitally signed by SOUMIL SANJAY ZAVERI
Date: 2021.08.05 19:12:00 +05'30'

Dinesh Ajmera
Proprietor
Membership No.: 033082

Place: Mumbai
Date: 05 August 2021

Sanjay Zaveri
Designated Partner
DIN: 00719857

Place: Mumbai
Date: 05 August 2021

Soumil Zaveri
Designated Partner
DIN: 03492767

Place: Mumbai
Date: 05 August 2021

DMZ PARTNERS INVESTMENT MANAGEMENT LLP**Statement of Profit and Loss for the year ended 31 March 2021**

	Schedule	1 April 2020 to 31 March 2021 (Amounts in INR)	1 April 2019 to 31 March 2020 (Amounts in INR)
INCOME			
Revenues from operations - Management fees		2,21,87,871	53,32,218
Other income	6	(3,89,565)	(4,96,308)
Total		2,17,98,307	48,35,910
EXPENDITURE			
Salaries and wages	7	55,12,500	55,06,567
Administrative and other expenses	8	43,07,219	57,50,450
Depreciation	4	2,63,346	2,80,291
Total Expenses		1,00,83,065	1,15,37,308
Profit / (Loss) before salary and interest to partners and tax		1,17,15,241	(67,01,398)
Remuneration to partners		24,00,000	-
Interest to partners		-	-
Profit / (Loss) before tax		93,15,241	(67,01,398)
Less: Tax Expense		(12,20,000)	2,945
Profit / (Loss) after tax transferred to Partner's current accounts		80,95,241	(66,98,453)

NOTES TO ACCOUNTS**9**

The schedules referred to above form an integral part of the financial statements

As per our report of even date

For D Ajmera & Co.

Chartered Accountants

Firm Registration No.: 100242W

Dinesh Chandulal
AjmeraDigitally signed by Dinesh
Chandulal Ajmera
Date: 2021.08.05 19:13:13 +05'30'**Dinesh Ajmera**

Proprietor

Membership No.: 033082

Place: Mumbai

Date: 05 August 2021

SANJAY DINESH
ZaveriDigitally signed by SANJAY
DINESH Zaveri
Date: 2021.08.05 19:09:51 +05'30'**For and on behalf of DMZ Partners Investment****Management LLP**

LLPIN: AAK - 3144

SOUMIL SANJAY
ZaveriDigitally signed by SOUMIL
SANJAY Zaveri
Date: 2021.08.05 19:11:23 +05'30'**Sanjay Zaveri**

Designated Partner

DIN: 00719857

Place: Mumbai

Date: 05 August 2021

Soumil Zaveri

Designated Partner

DIN: 03492767

Place: Mumbai

Date: 05 August 2021

DMZ PARTNERS INVESTMENT MANAGEMENT LLP**Balance Sheet as at 31 March 2020**

	Schedule	As at 31 March 2020 (Amounts in INR)	As at 31 March 2019 (Amounts in INR)
LIABILITIES			
Partners' contribution	1	2,25,00,000	2,25,00,000
Partners' current accounts	2	77,79,423	66,77,876
Current liabilities and provisions	3	2,75,580	25,92,401
Total		3,05,55,003	3,17,70,277
ASSETS			
Fixed assets	4	14,36,061	17,16,352
Investments in equity shares		2,30,61,947	2,28,47,892
Current assets, loans and advances	5	60,56,995	72,06,033
Total		3,05,55,003	3,17,70,277

NOTES TO ACCOUNTS**9**

The schedules referred to above form an integral part of the financial statements

As per our report of even date

For D Ajmera & Co.
Chartered Accountants
Firm Registration No.: 100242W

Dinesh Ajmera
Proprietor
Membership No.: 033082

Place: Mumbai
Date: 17 July 2020



For and on behalf of DMZ Partners Investment Management LLP
LLPIN: AAK - 3144

Sanjay Zaveri
Designated Partner
DIN: 00719857

Place: Mumbai
Date: 17 July 2020

Soumil Zaveri
Designated Partner
DIN: 03492767

Place: Mumbai
Date: 17 July 2020



DMZ PARTNERS INVESTMENT MANAGEMENT LLP**Statement of Profit and Loss for the year ended 31 March 2020**

	Schedule	1 April 2019 to 31 March 2020 (Amounts in INR)	1 April 2018 to 31 March 2019 (Amounts in INR)
INCOME			
Revenues from operations - Management fees		53,32,218	1,44,27,049
Other income	6	(4,96,308)	3,05,842
Total		48,35,910	1,47,32,891
EXPENDITURE			
Salaries and wages	7	55,06,567	35,40,733
Administrative and other expenses	8	57,50,450	39,07,394
Depreciation	4	2,80,291	1,90,975
Total Expenses		1,15,37,308	76,39,102
Profit / (Loss) before salary and interest to partners and tax		(67,01,398)	70,93,789
Remuneration to partners		-	12,00,000
Interest to partners		-	-
Profit / (Loss) before tax		(67,01,398)	58,93,789
Less: Tax Expense		2,945	(12,75,000)
Profit / (Loss) after tax transferred to Partner's current accounts		(66,98,453)	46,18,789

NOTES TO ACCOUNTS

9

The schedules referred to above form an integral part of the financial statements

As per our report of even date

For D Ajmera & Co.
Chartered Accountants
Firm Registration No.: 100242W

Dinesh Ajmera
Proprietor
Membership No.: 033082

Place: Mumbai
Date: 17 July 2020



For and on behalf of DMZ Partners Investment Management LLP
LLPIN: AAK - 3144

Sanjay Zaveri
Designated Partner
DIN: 00719857

Place: Mumbai
Date: 17 July 2020

Soumil Zaveri
Designated Partner
DIN: 03492767

Place: Mumbai
Date: 17 July 2020



DMZ PARTNERS INVESTMENT MANAGEMENT LLP**Balance Sheet as at 31 March 2019**

	Schedule	As at 31 March 2019 (Amounts in INR)	As at 31 March 2018 (Amounts in INR)
LIABILITIES			
Partners' contribution	1	2,25,00,000	2,25,00,000
Partners' current accounts	2	66,77,876	29,59,088
Current liabilities and provisions	3	25,92,401	3,55,625
Total		3,17,70,277	2,58,14,713
ASSETS			
Fixed assets	4	17,16,352	46,054
Investments in equity shares		2,28,47,892	2,22,23,693
Current assets, loans and advances	5	72,06,033	35,44,966
Total		3,17,70,277	2,58,14,713

NOTES TO ACCOUNTS**9**

The schedules referred to above form an integral part of the financial statements

As per our report of even date

For D Ajmera & Co.
Chartered Accountants
Firm Registration No.: 100242W



Dinesh Ajmera
Proprietor
Membership No.: 033082

Place: Mumbai
Date: 17 June 2019



**For and on behalf of DMZ Partners
Investment Management LLP**



Sanjay Zaveri
Designated Partner

Place: Mumbai
Date: 17 June 2019



Soumil Zaveri
Designated Partner



DMZ PARTNERS INVESTMENT MANAGEMENT LLP**Statement of Profit and Loss for the year ended 31 March 2019**

	Schedule	1 April 2018 to 31 March 2019 (Amounts in INR)	14 August 2017 to 31 March 2018 (Amounts in INR)
INCOME			
Revenues from operations - Management fees		1,44,27,049	2,86,690
Other Income	6	3,05,842	6,41,995
Total		1,47,32,891	9,28,684
EXPENDITURE			
Salaries and wages	7	35,40,733	20,90,075
Administrative and other expenses	8	39,07,394	8,68,008
Depreciation	4	1,90,975	11,514
Total Expenses		76,39,102	29,69,597
Profit / (Loss) before salary and interest to partners and tax		70,93,789	(20,40,912)
Remuneration to partners		12,00,000	-
Interest to partners		-	-
Profit / (Loss) before tax		58,93,789	(20,40,912)
Less: Tax Expense		(12,75,000)	-
Profit / (Loss) after tax transferred to Partner's current accounts		46,18,789	(20,40,912)


NOTES TO ACCOUNTS

9

The schedules referred to above form an integral part of the financial statements

As per our report of even date

For D Ajmera & Co.
Chartered Accountants
Firm Registration No.: 100242W


Dinesh Ajmera
Proprietor
Membership No.: 033082

Place: Mumbai
Date: 17 June 2019



For and on behalf of DMZ Partners
Investment Management LLP


Sanjay Zaveri
Designated Partner


Soumil Zaveri
Designated Partner

Place: Mumbai
Date: 17 June 2019





**CERTIFICATE FOR DISCLOSURE DOCUMENT FOR PORTFOLIO
MANAGEMENT SERVICES**

We have been requested by **M/s DMZ Partners Investment Management LLP (the LLP)** having its registered office at 705, Nirman Kendra, Off E Moses Road, Mahalaxmi, Mumbai - 400011 and having SEBI Registration No. INP000005944, to certify the contents and information provided in the Disclosure Document required to be filed with Securities and Exchange Board of India (SEBI) as per Regulation 22(5) of SEBI (Portfolio Managers) Regulations, 2020.

We have verified Disclosure Document and the details with the respective documents, system generated reports provided by the management of the Company and have relied on various representations made to us by the management wherever necessary.

Based on our verification of the records and the information and explanations given to us, we hereby certify that the contents and information provided in the Disclosure Document dated August 06, 2021 and annexed hereto are true, fair and adequate to enable the investors to make a well-informed decision. We further certify that the Disclosure Document complies with the requirement specified in Schedule V of Regulation 22 of the Securities and Exchange Board (Portfolio Managers) Regulations, 2020.

For Kamlesh P. Mehta Associates;
Chartered Accountants
Firm Regn. No.: - 120063W

Kamlesh P. Mehta
Proprietor
Membership No. : 045573

UDIN No.: 21045573AAACVI7561

Date: 06.08.2021
Place: Mumbai