

Clause 2(vii) SEBI Circular No. SEBI/HO/IMD/DF1/CIR/P/2020/182 dated September 23, 2020

- (a) Submission of Annual Compliance Audit Report duly approved by auditor (in case of individual IA) and its statutory auditor (in case of non-individual IA).
- (b) In case of presence of adverse findings in audit report, submission of action taken on adverse findings report duly approved by the individual IA / management of the non-individual IA.

Annual Compliance Audit Report for F. Y 2022-2023

Regulation	Particulars	Compliance Status	Reason for non-compliance/ Non-applicability	Action taken on adverse findings (duly approved by the individual IA/management of the non-individual IA)
Regulation 3	<u>Application for grant of certificate</u> (1) No person shall act as an investment adviser or hold itself out as an investment adviser unless he has obtained a certificate of registration from the Board under these regulations.	<input checked="" type="checkbox"/> Complied <input type="checkbox"/> Not- Complied <input type="checkbox"/> Not Applicable		

Regulation 6	<u>Consideration of application and eligibility criteria</u> Regulation 6 states all matters, which are relevant for the purpose of grant of certificate of registration.	<input checked="" type="checkbox"/> Complied <input type="checkbox"/> Not- Complied <input type="checkbox"/> Not Applicable		
Regulation 7	<u>Qualification and certification requirement.</u> An individual investment adviser or a principal officer of a non-individual investment adviser registered as an investment adviser under these regulations and persons associated with investment advice shall have minimum qualification and certification requirements as mentioned in Regulation 7(1) and 7(2).	<input checked="" type="checkbox"/> Complied <input type="checkbox"/> Not- Complied <input type="checkbox"/> Not Applicable		
SEBI/HO/IMD/DF1/CIR/P/2 020/182 (Dated September 23, 2020) Clause (iv)	<u>Qualification and certification requirement.</u> Existing individual IAs above fifty years of age shall not be required to comply with the qualification and experience requirements specified under Regulation 7(1) (a) and 7(1) (b) of the amended IA Regulations. However, such IAs shall hold NISM accredited certifications and comply with other conditions as specifies under Regulation 7(2) of the amended IA regulations at all times.	<input type="checkbox"/> Complied <input type="checkbox"/> Not- Complied <input checked="" type="checkbox"/> Not Applicable		

Regulation 8	<u>Net worth</u> (1) Investment advisers who are non-individuals shall have a net worth of not less than fifty lakh rupees. (2) Investment advisers who are individuals shall have net tangible assets of value not less than five lakh rupees.	<input checked="" type="checkbox"/> Complied <input type="checkbox"/> Not- Complied <input type="checkbox"/> Not Applicable		
Regulation 13	<u>Conditions of certificate</u> (b) The investment adviser shall inform the Board in writing, if any information or particulars previously submitted to the Board are found to be false or misleading in any material particular or if there is any material change in the information already submitted.	<input checked="" type="checkbox"/> Complied <input type="checkbox"/> Not- Complied <input type="checkbox"/> Not Applicable		
SEBI/HO/IMD/DF1/CIR/P/2 020/182 (Dated September 23, 2020) Clause 2(v)	<u>Registration as Non-Individual Investment Advisor.</u> An individual IA, whose number of clients exceed one hundred and fifty in total, shall apply for registration as non-individual investment adviser within such time as specified under this clause.	<input type="checkbox"/> Complied <input type="checkbox"/> Not- Complied <input checked="" type="checkbox"/> Not Applicable		
Regulation 15	<u>General Responsibility</u> The regulation 15 imposes certain responsibilities on the Investment Adviser for the transactions it undertakes on behalf of its clients.	<input checked="" type="checkbox"/> Complied <input type="checkbox"/> Not- Complied <input type="checkbox"/> Not Applicable		
Regulation 15 A	<u>Fees</u>	<input checked="" type="checkbox"/> Complied <input type="checkbox"/> Not- Complied		

	Investment Adviser shall be entitled to charge fees for providing investment advice from a client in the manner as specified by the Board.	<input type="checkbox"/> Not Applicable		
SEBI/HO/IMD/DF1/CIR/P/2 020/182 (Dated September 23, 2020) Clause 2(iii)	<u>Fees</u> Investment Advisers shall charge fees from the clients in either Assets under Advice (AUA) mode or Fixed fee mode.	<input checked="" type="checkbox"/> Complied <input type="checkbox"/> Not- Complied <input type="checkbox"/> Not Applicable		
Regulation 16	<u>Risk profiling</u> This involves profiling, assessing the risk appetite of each client individually, and communication of such profile to the respective client.	<input checked="" type="checkbox"/> Complied <input type="checkbox"/> Not- Complied <input type="checkbox"/> Not Applicable		
Regulation 17	<u>Suitability</u> Investment adviser shall ensure suitability of the advice being provided to the client.	<input checked="" type="checkbox"/> Complied <input type="checkbox"/> Not- Complied <input type="checkbox"/> Not Applicable		
SEBI/HO/IMD/DF1/CIR/P/2 020/182 (Dated September 23, 2020) Clause 2(viii)	<u>Risk profiling and suitability for non-individual clients.</u> (b) In case of non-individual clients, IA shall use the investment policy as approved by board/management team of such non-individual clients for risk profiling and suitability analysis. (c) The discretion to share the investment policy/relevant excerpts of the policy shall lie with the non-individual client. However, IA shall have discretion not to	<input checked="" type="checkbox"/> Complied <input type="checkbox"/> Not- Complied <input type="checkbox"/> Not Applicable		

	onboard non-individual clients if they are unable to do risk profiling of the non-individual client in the absence of investment policy.			
Regulation 18	<u>Disclosure to clients</u> This involves disclosure of all necessary information by the investment adviser to its clients.	<input checked="" type="checkbox"/> Complied <input type="checkbox"/> Not- Complied <input type="checkbox"/> Not Applicable		
Regulation 19	<u>Maintenance of records</u> This regulation requires maintenance of certain records, preservation of the same and audit of such records by the prescribed professional.	<input checked="" type="checkbox"/> Complied <input type="checkbox"/> Not- Complied <input type="checkbox"/> Not Applicable		
SEBI/HO/IMD/DF1/CIR/P/2 020/182 (Dated September 23, 2020) Clause 2(vi)	<u>Maintenance of record.</u> IA shall maintain and preserve records of interactions, with all clients including prospective clients, where any conversation related to advice has taken place, in the form as specified under this clause.	<input checked="" type="checkbox"/> Complied <input type="checkbox"/> Not- Complied <input type="checkbox"/> Not Applicable		
SEBI/HO/IMD/DF1/CIR/P/2 020/182 (Dated September 23, 2020) Clause 2(ii)	<u>Agreement between IA and the client.</u> IA shall enter into an investment advisory agreement with its clients as prescribed under this clause and shall ensure that neither any investment advice is rendered	<input checked="" type="checkbox"/> Complied <input type="checkbox"/> Not- Complied <input type="checkbox"/> Not Applicable		

	nor any fee is charged until the client has signed the aforesaid agreement.			
Regulation 20	<p><u>Appointment of Compliance officer</u></p> <p>An investment adviser shall appoint a compliance officer who shall be responsible for monitoring the compliance by the investment adviser.</p>	<input checked="" type="checkbox"/> Complied <input type="checkbox"/> Not- Complied <input type="checkbox"/> Not Applicable		
Regulation 21	<p><u>Redressal of client grievances</u></p> <p>Investment adviser shall redress client grievances promptly through an adequate procedure.</p>	<input checked="" type="checkbox"/> Complied <input type="checkbox"/> Not- Complied <input type="checkbox"/> Not Applicable		
Regulation 22	<p><u>Client level segregation of advisory and distribution activities.</u></p> <p>(1) An individual investment adviser shall not provide distribution services.</p> <p>(2) The family of an individual investment adviser shall not provide distribution services to the client advised by the individual investment adviser and no individual investment adviser shall provide advice to a client who is receiving distribution services from other family members.</p> <p>(3) A non-individual investment adviser shall have client level segregation at group level for investment advisory and distribution services.</p> <p>(4) Non-individual investment adviser shall maintain an arm's length</p>	<input checked="" type="checkbox"/> Complied <input type="checkbox"/> Not-Complied <input type="checkbox"/> Not Applicable		

<p>SEBI/HO/IMD/DF1/CIR/P/2020/182 (Dated September 23, 2020) Clause 2(ix)</p>	<p><u>Display of details on website and in other communication channels.</u> IAs shall prominently display the information as specified under this clause, on its website, mobile app, printed or electronic materials, know your client forms, client agreements and other correspondences with the clients.</p>	<p><input checked="" type="checkbox"/> Complied <input type="checkbox"/> Not- Complied <input type="checkbox"/> Not Applicable</p>	
<p>(SEBI/HO/MIRSD2/DOR/CIR/P/2020/221 dated November 03, 2020)</p>	<p>Compliance of the SEBI circular for Advisory for financial Sector Organizations regarding Software as a Service (SaaS) based solutions for half-yearly ended 31st March 2022 and 30th September 2022.</p>	<p><input checked="" type="checkbox"/> Complied <input type="checkbox"/> Not- Complied <input type="checkbox"/> Not Applicable</p>	
<p>SEBI/HO/IMD/IMD-II CIS/P/CIR/2021/0686 (Dated December 13, 2021)</p>	<p><u>Publishing Investor Charter and disclosure of Investor Complaints</u> (2) All registered investment advisers are required to publish investor charter on their websites and mobile applications. If registered investment adviser does not have websites/mobile applications, then as a one-time measure, send investor charter to the investors on their registered e-mail address. (3) All registered investment advisers are required to disclose the details of investor complaints by seventh of the succeeding month on a monthly basis</p>	<p><input checked="" type="checkbox"/> Complied <input type="checkbox"/> Not- Complied <input type="checkbox"/> Not Applicable</p>	

	relationship between its activities as investment adviser and distributor by providing advisory services through a separately identifiable department or division.			
SEBI/HO/IMD/DF1/CIR/P/2 020/182 (Dated September 23, 2020) Clause 2(i)	<u>Client Level Segregation of Advisory and Distribution Activities</u> Compliance and monitoring process for client segregation at group or family level shall be in accordance with the guidelines as specified under this clause.	<input type="checkbox"/> Complied <input type="checkbox"/> Not- Complied <input checked="" type="checkbox"/> Not Applicable		
Regulation 22A	<u>Implementation of advice or execution</u> (1) Investment adviser may provide implementation services to advisory clients, provided no consideration shall be obtained directly or indirectly either at group level or at family level. (2) Investment adviser shall provide implementation services only through direct schemes. (3) Investment adviser or group or family of investment adviser shall not charge any implementation fees from the client. (4) The client shall not be under any obligation to avail implementation services offered by the investment adviser.	<input checked="" type="checkbox"/> Complied <input type="checkbox"/> Not- Complied <input type="checkbox"/> Not Applicable		

	on their websites and mobile applications. If investment adviser does not have websites/mobile applications, then send status of investor complaints to the investors on their registered email on a monthly basis.			
Name and Contact Details of Principal Officer	Mr. Devendra Phadke +91 9326016754 dphadke@punartha.com			
Name and Contact Details of Compliance Officer	Mr. Shishir Karnik +919820232701 shishirkarnik@punartha.com			
Total No. of Clients as on 31-03-2023	9020			
Cyber Security Awareness	Whether any planned Cyber Security Awareness carried out among employees, stakeholders and clients, If Yes, details of Cyber Security Awareness programme conducted in the Audit FY	Yes. Classroom training conducted on 22/9/22, webinar on 23/9/22 and periodically emails have been circulated amongst employees, stakeholders and clients		
SEBI/HO/MIRSD/DoS-2/P/OW/2023/0000011041/1	Telecom Regulatory Authority of India (TRAI) - Guidelines to curb spam SMSes and misuse of Headers and Content Templates by unauthorised Telemarketers (UTMs)	<input checked="" type="checkbox"/> Complied <input type="checkbox"/> Not- Complied <input type="checkbox"/> Not Applicable		
SEBI / BASL Inspections	Last SEBI / BASL Inspection carried out date and Whether complied with inspection Observations. 19/6/2023	<input checked="" type="checkbox"/> Complied <input type="checkbox"/> Not- Complied <input type="checkbox"/> Not Applicable		

For Punartha Investment Advisors Pvt Ltd

Hemant Ashok Vispute
Digitally signed by Hemant Ashok Vispute
Date: 2023.09.30 12:56:44 +05'30'
Hemant Vispute
(Managing Director)

For S.V.Bapat & Co
Chartered Accountants

AASHAY DILIP HULYALKAR
Digitally signed by AASHAY DILIP HULYALKAR
Date: 2023.09.30 14:26:17 +05'30'

CA Aashay Hulyalkar
(Partner)
M. No. 129434
UDIN: 23129434 B6x1PS1032
Date: 30/9/23
Place: Pune



AMOL P. MAJGAONKAR

CHARTERED ACCOUNTANT

FLAT NO 204, YASHOMANGAL APARTMENTS,
SHEELAVIHAR COLONY, KOTHRUD PUNE 411038 INDIA
TEL:9822885202, EMAIL-amol.pmajgaonkar@yahoo.com

To -

Purnartha Investment Advisors Private Limited
CIN- U72200PN2011PTC138994

33, Rachna, Ground & 2nd floor, Dr. Ketkar Road,
Bharati Niwas Society, off Karve Road,
Erandwane Pune MH 411004 IN

**Statutory Auditors Certificate pursuant to requirement as per SEBI
Investment Advisers Regulations 2013 and SEBI Circular
SEBI/HO/IMD/DF1/CIR/P/2020/182 dated September 23, 2020 titled
'Guidelines for Investment Advisers'**

1. This certificate is issued in accordance with the compliance requirement mentioned in Para i of sub-clause (ii) of Clause 2 of SEBI Circular SEBI/HO/IMD/DF1/CIR/P/2020/182 dated September 23, 2020 titled 'Guidelines for Investment Advisers read with Regulation 22 of SEBI (Investment Advisers) Regulations, 2013
2. We have examined the relevant records of Purnartha Investment Advisors Private Limited for the period **01st April 2022 to 31st March 2023** maintained in accordance with provisions of Securities and Exchange Board of India (Investment Advisers) Regulations, 2013, as amended from time to time (referred to as the '**Regulations**'), for client level segregation

Management Responsibility

3. The Management is responsible for ensuring that the Company complies with the requirements of the Regulations issued by Securities and Exchange Board of India (**SEBI**)and for providing all relevant information to the Securities and Exchange Board of India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the statement and applying an appropriate basis of preparation; making estimates as may be required, that are reasonable in the circumstances.



Auditor's Responsibility

4. Our responsibility is to provide a reasonable assurance that the certificate issued, based on our examination of records, documents and information and explanations given to us by the management, whether the client level segregation is in compliance with the SEBI regulations.
5. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. In connection with the above, we have performed the following procedures:
 - a) Read the Regulation 22 of SEBI Investment Advisers Regulations 2013 issued by SEBI along with the compliance guidelines given in Para i of sub-clause (ii) of Clause 2 of SEBI Circular SEBI/HO/IMD/DF1/CIR/P/2020/182 dated September 23, 2020 titled 'Guidelines for Investment Advisers'.
 - b) Obtained required explanations and representations from the management.
 - c) Verified the related documents, books of accounts and other records required to verify the details.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. In our opinion and on the basis of the information and explanations provided to us and the representation provided to us by the management, we hereby certify that the company has **exclusively** provided Investment Advisory Services to its clients and has **not provided** any distribution services either directly or indirectly through any of its Group Companies.

Thereby, Purnartha Investment Advisors Private Limited has complied with the client level segregation requirements as specified in Regulation 22 of SEBI (Investment Advisers) Regulations, 2013.



Restriction on Use

9. This Certificate is addressed to and provided to the Management of the Company solely to enable the Company to comply with the regulatory requirement of SEBI as mentioned above and should not be used, for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior written consent.

**For Amol Majgaonkar
Chartered Accountant**



CA Amol Majgaonkar

M. No. - 112670

UDIN - 23112670BGWIYQ6866

Dated -29th September 2023

