ANNEXURE

NOTE:

1. **Annual Audit Compliance Report (ACR)** - As per Regulation 19(3) of SEBI (Investment Advisers) Regulations, 2013 an investment adviser shall conduct yearly audit in respect of compliance with these regulations from a member of Institute of Chartered Accountants of India or Institute of Company Secretaries of India (duly signed and stamped by IA and auditor).
2. **Client Level Segregation** - As per Clause 2(i)(i) of SEBI Circular No. SEBI/HO/IMD/DF1/CIR/P/2020/182 dated September 23, 2020, an investment adviser shall maintain on record an annual certificate from an auditor (in case of individual IA) and its statutory auditor (Chartered Accountant) (in case of a non-individual IA) confirming compliance with the client level segregation requirements as specified in Regulation 22 of SEBI (Investment Advisers) Regulations, 2013.
3. **Action Taken Report (ATR)** - As per Clause 2(vii) of SEBI Circular No. SEBI/HO/IMD/DF1/CIR/P/2020/182 dated September 23, 2020, In case of any adverse findings in the annual compliance audit report, Action Taken Report (ATR) for each non-compliance, duly approved by the individual IA/management of the non-individual IA within a period of one month from the date of the audit report but not later than, October 31, 2024

Annual Compliance Audit Report for F. Y 2023-2024

Name of Investment Adviser	MODULOR ADVISORY SERVICES
SEBI Registration No.	INA100015115
BASL Membership ID	2129
Entity type	NON-INDIVIDUAL (PARTNERSHIP)
Financial Year	**2023-2024**
Name and Contact Details of Principal Officer	**Name:-** Sanjit Singh Paul **Mobile No:-** 9814406500 **Email id:-** principal.officer@modulorcapital.com
Name and Contact Details of Compliance Officer	**Name:-** Sanjit Singh Paul **Mobile No:-** 9814406500 **Email id:-** compliance.officer@modulorcapital.com
Total No. of Clients as on 31-03-2024	147

For MODULOR ADVISORY SERVICES

Partner

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Regulation	Particulars	Compliance Status (anyone status as applicable to respective point to be retained)	Reason for non-compliance/ non-applicability	Management Comments	
				Whether Auditor comments accepted in case of non-compliance reported by auditor? (Yes/No)	Action taken on adverse findings (duly approved by the individual IA/management of the non-individual IA)
Regulation 3	Application for grant of certificate (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.	**Complied**			
Regulation 6	Consideration of application and eligibility criteria Regulation 6 states all matters, which are relevant for the purpose of grant of certificate of registration.	**Complied**			
Regulation 7	Qualification and certification requirement. 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	**Complied**			

For MODULOR ADVISORY SERVICES

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	requirements as mentioned in Regulation 7(1) and 7(2).				
SEBI Circular Ref. No. SEBI/HO/IMD/DF1/CIR/P/2020/182 (Dated September 23, 2020) Clause 2(iv)	Qualification and certification requirement. 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 specified under Regulation 7(2) of the amended IA regulations at all times.	**Not Applicable**			
Regulation 8	Net worth (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.	**Complied**			
Regulation 13(b)	Conditions of certificate: 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.	**Complied**			

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SEBI Circular Ref. No. SEBI/HO/IMD/DF1/CIR/P/2020/182 (Dated September 23, 2020) Clause 2(v)	Registration as Non-Individual Investment Advisor. 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.	**Not Applicable**			
Regulation 15	General Responsibility The regulation 15 imposes certain responsibilities on the Investment Adviser for the transactions it undertakes on behalf of its clients.	**Complied**			
Regulation 15A read with SEBI Circular Ref. No. SEBI/HO/IMD/DF1/CIR/P/2020/182 (Dated September 23, 2020) Clause 2(iii)	Fees Investment Adviser shall be entitled to charge fees for providing investment advice from a client in the manner as specified by the Board namely - Assets under Advice (AUA) mode or Fixed fee mode.	**Complied**			
Regulation 16	Risk profiling This involves profiling, assessing the risk appetite of each client individually, and communication of such profile to the respective client.	**Complied**			
Regulation 17	Suitability Investment adviser shall ensure suitability of the advice being provided to the client.	**Complied**			
SEBI Circular Ref. No. SEBI/HO/IMD/DF1/CIR/P/2020/182	Risk profiling and suitability for non-individual clients.	**Complied**			

For MODULOR ADVISORY SERVICES

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ADITYA A. JAIN & ASSOCIATES MEM 797 CHARTERED ACCOUNTANTS

(Dated September 23, 2020) Clause 2(viii)	(a) 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. (b) 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 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	Disclosure to clients This involves disclosure of all prescribed information by the investment adviser to its clients.	**Complied**			
Regulation 19	Maintenance of records This regulation requires maintenance of prescribed records, preservation of the same and audit of such records by the prescribed professional.	**Complied**			
SEBI Circular Ref. No. SEBI/HO/IMD/DF1/CIR/P/2020/182 (Dated September 23, 2020) Clause 2(vi)	Maintenance of record. IA shall maintain and preserve records of interactions, with all clients including prospective clients, where any conversation related to advice has taken place as prescribed.	**Complied**			

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SEBI Circular Ref. No. SEBI/HO/IMD/DF1/CIR/P/2020/182 (Dated September 23, 2020) Clause 2(ii)	Agreement between IA and the client. IA shall enter into an investment advisory agreement with its clients as prescribed and shall ensure that neither any investment advice is rendered, nor any fee is charged until the client has signed the aforesaid agreement and a copy of the signed agreement is provided to the client.	**Complied**			
Regulation 20	Appointment of Compliance officer An investment adviser shall appoint a compliance officer who shall be responsible for monitoring the compliance by the investment adviser.	**Complied**			
Regulation 21 **And** **SEBI Master circular Ref. No. SEBI/HO/MIRSD-PoD-2/P/CIR/2023/89/ dated June 15, 2023 - V(6)**	Redressal of investor grievances through SEBI Complaints Redress system (SCORES) Platform: 6.2 - IAs shall prominently display in their offices the information about the grievance redressal mechanism available to investors. 6.3 - IAs shall also followed the Master Circular (SEBI/HO/OIAE/IGRD/P/CIR/2022) issued by SEBI on the redressal of investor grievances through the SEBI Complaints Redress System (SCORES) and complied with it.	**Complied**			

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Partner

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Regulation 22, **SEBI Circular Ref. No.** **SEBI/HO/IMD/DF1/CIR/P/2020/182** **(Dated September 23, 2020) Clause 2(i)**	Client level segregation of advisory and distribution activities. (1) Has the annual client level segregation requirement been certified by an auditor (in case of individual IA) and its statutory auditor (in case of a non-individual IA) [Certificate of auditor to be attached along with] (2) An individual investment adviser shall not provide distribution services. (3) 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. (4) A non-individual investment adviser shall have client level segregation at group level for investment advisory and distribution services. (5) Non-individual investment adviser shall maintain an arm's length relationship between its activities as investment adviser and distributor by providing advisory services through a separately identifiable department or division. (6) Compliance and monitoring process for client segregation at group or family	**Complied**			

ADITYA & ASSOCIATES * CHARTERED ACCOUNTANTS * MEM-517197

	level shall be in accordance with the guidelines as prescribed in the referred circular.				
Regulation 22A	Implementation of advice or execution (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.	**Complied**			

For MODULOR ADVISORY SERVICES

Partner

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SEBI Circular Ref. No. SEBI/HO/IMD/DF1/CIR/P/2020/182 (Dated September 23, 2020) Clause 2(ix)	Display of details on website and in other communication channels. IAs shall prominently display the information as prescribed, on its website, mobile app, printed or electronic materials, know your client forms, client agreements and other correspondences with the clients.	**Complied**			
SEBI/HO/IMD/IMD-II CIS/P/CIR/2021/0686 (Dated December 13, 2021) **and** **SEBI Master circular Ref. No. SEBI/HO/MIRSD-PoD-2/P/CIR/2023/89/ dated June 15, 2023 - V (7) & SEBI/HO/IMD/IMD-II CIS/P/CIR/2021/0686 (Dated December 13, 2021)**	Publishing Investor Charter and disclosure of Investor Complaints (1) All registered investment advisers are required to publish investor charter on their websites and mobile applications. If registered investment adviser do not have websites/mobile applications, then as a one-time measure, investor charter to be sent to the investors on their registered e-mail address. (2) All registered investment advisers are required to disclose the details of investor complaints by 7th of the succeeding month on a monthly basis on their websites and mobile applications. If investment adviser do not have websites/mobile applications, status of investor complaints to be sent to the investors on their registered email ids on a monthly basis.	**Complied**			

For MODULOR ADVISORY SERVICES

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TRAI Guidelines - SEBI/HO/MIRSD/DoS-2/P/OW/2023/0000011041/1 (Dated March 16, 2023) and BASL Circular No. 20230329-1 dated March 29, 2023	Telecom Regulatory Authority of India (TRAI) - Guidelines to curb spam SMSes and misuse of Headers and Content Templates by unauthorised Telemarketers (UTMs)	**Complied**			
Usage of brand name/trade name - SEBI/HO/MIRSD/ MIRSD-PoD-2/P/CIR/2023/52 (Dated April 06, 2023) and BASL Circular No. 20230411-1 dated April 11, 2023	Compliance to Usage of brand name/trade name by Investment Advisers (IA)	**Complied**			
SEBI / BASL Inspections	Last SEBI / BASL Inspection carried out date and period of inspection. Whether complied with inspection observations.	**Complied**			
SEBI Master circular Ref. No. SEBI/HO/MIRSD-PoD-2/P/CIR/2023/89/ dated June 15, 2023 - Point II(2)	Whether IAs have complied with the following points:- 2.1 - Restriction on free trial 2.2 - Proper risk profiling and consent of client on risk profiling 2.3 - Receiving fees though banking channel only 2.4 - Display of complaints status on website	**Complied**			
SEBI Master circular Ref. No. SEBI/HO/MIRSD-PoD-2/P/CIR/2023/89/ dated June 15, 2023 - IV(5) and (SEBI/HO/MIRSD2/DOR/CIR/P/2020/221 dated November 03, 2020)	Advisory for Financial Sector Organizations regarding Software as a Service (SaaS) based solutions 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 and 30th September.	**Complied**			

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SEBI Circular no. SEBI/HO/MIRSD/ MIRSD-PoD-2/P/CIR/2023/51 dated April 05, 2023 - VI(9) and BASL Circular no. 20230406-2 dated April 06 2023	Advertisement code Investment Advisers shall ensure compliance with the advertisement code	**Complied**			
SEBI Master circular Ref. No. SEBI/HO/MIRSD-PoD-2/P/CIR/2023/89/ dated June 15, 2023 - VI (10)	Facilitating transaction in Mutual Fund schemes through the Stock Exchange Infrastructure Compliance of aforementioned point VI (10) of master circular by registered investment advisers	**Complied**			
SEBI Master circular Ref. No. SEBI/HO/MIRSD-PoD-2/P/CIR/2023/89/ dated June 15, 2023 - VI(11)	Unauthenticated news circulated by SEBI Registered Market Intermediaries through various modes of communication: Compliance of aforementioned point VI (11) of master circular by registered investment advisers	**Complied**			
SEBI Master circular Ref. No. SEBI/HO/MIRSD-PoD-2/P/CIR/2023/89/ dated June 15, 2023 - VI (12)	Guidelines on Outsourcing of Activities by Intermediaries Compliance of aforementioned point VI (12) of master circular by registered investment advisers	**Complied**			
SEBI Master circular Ref. No. SEBI/HO/MIRSD-PoD-2/P/CIR/2023/89/ dated June 15, 2023 - VI(13)	Framework for Regulatory Sandbox: Compliance of aforementioned point VI (13) of master circular by registered investment advisers	**Not Applicable**			

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SEBI Master circular Ref. No. SEBI/HO/MIRSD-PoD-2/P/CIR/2023/89/ dated June 15, 2023 - VI (14)	General Guidelines for dealing with Conflicts of Interest of intermediaries and their Associated Persons in Securities Market: Compliance of aforementioned point VI (14) of master circular by registered investment advisers	**Complied**			
SEBI Master circular Ref. No. SEBI/HO/MIRSD-PoD-2/P/CIR/2023/89/ dated June 15, 2023 - VI(15)	Approach to securities market data access and terms of usage of data provided by data sources in Indian securities market: Compliance of aforementioned point VI (15) of master circular by registered investment advisers	**Complied**			
SEBI Master circular Ref. No. SEBI/HO/MIRSD-PoD-2/P/CIR/2023/89/ dated June 15, 2023 - VI(17)	Guidelines on Anti-Money Laundering (AML) Standards and Combating the Financing of Terrorism (CFT) / Obligations of Securities Market Intermediaries under the Prevention of Money Laundering Act, 2002 and Rules framed there under: Compliance of aforementioned point VI (17) of master circular by registered investment advisers	**Complied**			
SEBI Master circular Ref. No. SEBI/HO/MIRSD-PoD-2/P/CIR/2023/89/ dated June 15, 2023 - VII	Reporting Requirements: IA has followed and complied to all reporting requirement as per VII of Master Circular	**Complied**			
SEBI Master circular Ref. No. SEBI/HO/MIRSD-PoD-2/P/CIR/2023/89/ dated June 15, 2023 - VIII	ANNEXURES Has IA followed all the annexures as prescribed in point VIII of Master circular	**Complied**			

For MODULOR ADVISORY SERVICES

Partner

INTERNAL

For MODULOR ADVISORY SERVICES

Partner

Signature of IA / Partner / Director

Date:

ADITYA A. JAIN & ASSOCIATES MEM-510797 CHARTERED ACCOUNTANTS

Chartered Accountant / Company Secretary

(Seal & Signature)

(Name): ADITYA JAIN

Membership no. : 51097

UDIN No.: 24510797BKBHXV2677

Date and Place: 21/09/2024

CHANDIGARH

INTERNAL