



CERTIFICATE FOR ANNUAL COMPLIANCE AUDIT

We have examined the relevant records and documents maintained by **M/s. Pi Square Advisors**, bearing SEBI registration number **INA000018179** and a member of the BSE Administration and Supervision Ltd. (BASL) bearing BASL membership ID **2018** to fulfill the Annual Audit Compliance requirement as prescribed vide SEBI (Investment Advisers) Regulations, 2013, guidelines and circulars, for the year ended 2023-2024.

The purpose of this audit is to examine the processes, procedures followed, and the operations carried out by the Investment Adviser as per the applicable Acts, Rules, Regulations, Byelaws and Circulars prescribed by SEBI and BASL.

We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of this audit. In our opinion proper records & documents, as per the regulatory requirement, have been maintained by the member, so far as it appears from examination of the records and as mentioned in **Annexure** to this report.

We have conducted the audit within the framework provided by SEBI/BSE for the purpose of this audit. Based on the scrutiny of relevant information, records and documents of clients on sample basis and other records, we certify that the member has complied with the relevant provisions of SEBI Act, 1992, SEBI (Investment Advisers) Regulations, 2013 and various circulars of SEBI & various circulars issued by the BASL except otherwise mentioned in the **Annexure** to this report.

We declare that we do not have any direct / indirect interest in or relationship with the member or its partners, other than the proposed audit assignment and also confirm that we do not perceive any conflict of interest in such relationship / interest while conducting audit of the said member.

In our opinion and to the best of our information and according to the explanations given to us by the compliance officer and the principal officer, the report provided by us as per the Annexure and subject to our observations, which covers the entire scope of the audit, is true and correct.

For Kruti Gogri and Co.

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GOGRI

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CS Kruti Gogri
Proprietor

Membership no. A21498
CP. No. 13401

UDIN No.: A021498F001349077
Date: September 27, 2024

ANNEXURE

Name of Investment Adviser	Pi Square Advisors		
SEBI Registration No.	INA000018179		
BASL Membership ID	2018		
Website	www.pisquareinvestments.com		
Entity type	Partnership Firm		
Financial Year	2023-24		
Name and Contact Details of Principal Officer	Name: Mr. Vishrut Pathak Contact No: +91 2717 459 271 Email ID: principalofficerpisquare@gmail.com		
Name and Contact Details of Compliance Officer	Name: Ms. Bhoomi Godhani Contact No: +91 2717 459 271 Email ID: compliance@pisquareinvestments.com		
Name of Persons Associated with Investment Advice (PAIA)	Ms. Megha Hariramani		
Total No. of Clients as on 31-03-2024	52		
Regulation	Particulars	Compliance Status	Reason for non-compliance/ non-applicability
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.	Complied	-
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.	Complied	-

<p>Regulation 7</p>	<p><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).</p>	<p>Complied</p>	<p>-</p>
<p>SEBI Master circular Ref. No. SEBI/HO/MIRSD-PoD-2/P/CIR/2023/89/ dated June 15, 2023 - Clause 1.2(iv)</p>	<p><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 specified under Regulation 7(2) of the amended IA regulations at all times.</p>	<p>Not Applicable</p>	<p>The firm is registered as a non-individual Investment Adviser.</p>
<p>Regulation 8</p>	<p><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.</p>	<p>Complied</p>	<p>-</p>
<p>Regulation 13(b)</p>	<p><u>Conditions of certificate:</u> 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.</p>	<p>Complied</p>	<p>-</p>

<p>SEBI Master circular Ref. No. SEBI/HO/MIRSD-PoD-2/P/CIR/2023/89/ dated June 15, 2023 - Clause 1.2(v)</p>	<p><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.</p>	<p>Not Applicable</p>	<p>The firm is registered as a non-individual Investment Adviser.</p>
<p>Regulation 15</p>	<p><u>General Responsibility</u> The regulation 15 imposes certain responsibilities on the Investment Adviser for the transactions it undertakes on behalf of its clients.</p>	<p>Complied</p>	<p>As per regulation 15(9)-Code of conduct is complied to the extent mentioned in the report.</p>
<p>Regulation 15A read with SEBI Circular Ref. No. SEBI/HO/MIRSD-PoD-2/P/CIR/2023/89/ dated June 15, 2023 - Clause 1.2(iii)</p>	<p><u>Fees</u> 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.</p>	<p>Complied</p>	<p>However, the amount of AUA is not mentioned by clients in writing / email.</p>
<p>Regulation 16</p>	<p><u>Risk profiling</u> This involves profiling, assessing the risk appetite of each client individually, and communication of such profile to the respective client.</p>	<p>Not Complied (to the extent explained in the schedule)</p>	<p>Reason mentioned in point 1 of the schedule below</p>
<p>Regulation 17</p>	<p><u>Suitability</u> Investment adviser shall ensure suitability of the advice being provided to the client.</p>	<p>Complied</p>	<p>-</p>
<p>SEBI Master circular Ref. No. SEBI/HO/MIRSD-PoD-2/P/CIR/2023/89/ dated June 15, 2023 -Clause 1.2(viii)</p>	<p><u>Risk profiling and suitability for non-individual clients.</u> (a) In case of non-individual clients, IA shall use the investment policy as approved by board/management team of such non-individual</p>	<p>Complied</p>	<p>-</p>

	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	<u>Disclosure to clients</u> This involves disclosure of all prescribed information by the investment adviser to its clients.	Not Complied (to the extent explained in the schedule)	Reason mentioned in point 2 of the schedule below
Regulation 19	<u>Maintenance of records</u> This regulation requires maintenance of prescribed records, preservation of the same and audit of such records by the prescribed professional.	Complied	-
SEBI Master circular Ref. No. SEBI/HO/MIRSD-PoD-2/P/CIR/2023/89/ dated June 15, 2023 - Clause 1.2(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 as prescribed.	Complied	As per the details shared by the firm, no oral advice was given. However, there is no mechanism to check the same.

<p>SEBI Master circular Ref. No. SEBI/HO/MIRSD-PoD-2/P/CIR/2023/89/ dated June 15, 2023 - Clause 1.2(ii)</p>	<p><u>Agreement between IA and the client.</u> 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.</p>	<p>Not complied (to the extent explained in the schedule)</p>	<p>Reason mentioned in point 3 of the schedule below</p>
<p>Regulation 20</p>	<p><u>Appointment of Compliance officer</u> An investment adviser shall appoint a compliance officer who shall be responsible for monitoring the compliance by the investment adviser.</p>	<p>Complied</p>	<p>-</p>
<p>Regulation 21 And SEBI Master circular Ref. No. SEBI/HO/MIRSD-PoD-2/P/CIR/2023/89/ dated June 15, 2023 – V (6)</p>	<p><u>Redressal of investor grievances through SEBI Complaints Redress system (SCORES) Platform:</u> 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.</p>	<p>Complied</p>	<p>-</p>
<p>Regulation 22, SEBI Master circular Ref. No. SEBI/HO/MIRSD-PoD-2/P/CIR/2023/89/ dated June 15, 2023 - Clause 1.2(i)</p>	<p><u>Client level segregation of advisory and distribution activities.</u> (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.</p>	<p>Complied</p>	<p>-</p>

	<p>(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.</p> <p>(4) A non-individual investment adviser shall have client level segregation at group level for investment advisory and distribution services.</p> <p>(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.</p> <p>(6) Compliance and monitoring process for client segregation at group or family level shall be in accordance with the guidelines as prescribed in the referred circular.</p>		
<p>Regulation 22A</p>	<p><u>Implementation of advice or execution</u></p> <p>(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.</p> <p>(2) Investment adviser shall provide implementation services only through direct schemes.</p> <p>(3) Investment adviser or group or family of investment adviser shall not charge any implementation fees from the client.</p> <p>(4) The client shall not be under any obligation to</p>	<p>Complied</p>	<p>-</p>

	avail implementation services offered by the investment adviser.		
SEBI Master circular Ref. No. SEBI/HO/MIRSD-PoD-2/P/CIR/2023/89/ dated June 15, 2023 - Clause 1.2(ix)	<u>Display of details on website and in other communication channels.</u> 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.	Not Complied (to the extent explained in the schedule)	Reason mentioned in point 4 of the schedule below
SEBI Master circular Ref. No. SEBI/HO/MIRSD-PoD-2/P/CIR/2023/89/ dated June 15, 2023 - V (7)	<u>Publishing Investor Charter and disclosure of Investor Complaints</u> (1) All registered investment advisers are required to publish investor charter on their websites and mobile applications. If registered investment adviser does not have a website / mobile application, 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 does 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	-
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).	Not Applicable	The firm does not have telemarketers.

Usage of brand name/trade name - SEBI Master circular Ref. No. SEBI/HO/MIRSD-PoD-2/P/CIR/2023/89/ dated June 15, 2023 - VI (9.2) and BASL Circular No. 20230411-1 dated April 11, 2023	Compliance to Usage of brand name/trade name by Investment Advisers (IA)	Not complied (to the extent explained in the schedule)	Reason mentioned in point 5 of the schedule below
SEBI / BASL Inspections	Last SEBI / BASL Inspection carried out date and period of inspection. Whether complied with inspection observations.	Not Applicable	As no SEBI/BSE inspection had taken place during the audit period
SEBI Master circular Ref. No. SEBI/HO/MIRSD-PoD-2/P/CIR/2023/89/ dated June 15, 2023 - Point II (2)	<u>Whether IAs have complied with the following points:-</u> 2.1 - Restriction on free trial 2.2 - Proper risk profiling and consent of client on risk profiling 2.3 - Receiving fees through 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)	<u>Advisory for Financial Sector Organizations regarding Software as a Service (SaaS) based solutions</u> 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.	Not Applicable	The firm has not availed SaaS based solution.
SEBI Circular no. SEBI/HO/MIRSD/ MIRSD-PoD-2/P/CIR/2023/51 dated April 05, 2023 – VI (9.1) and BASL Circular no. 20230406-2 dated April 06 2023	<u>Advertisement code</u> Investment Advisers shall ensure compliance with the advertisement code	Not Applicable	As per the details provided by the firm, there were no advertisements issued during the audit period.

			However, there is no mechanism to check the same.
SEBI Master circular Ref. No. SEBI/HO/MIRSD-PoD-2/P/CIR/2023/89/ dated June 15, 2023 - VI (10)	<u>Facilitating transaction in Mutual Fund schemes through the Stock Exchange Infrastructure</u> Compliance of aforementioned point VI (10) of master circular by registered investment advisers.	Not Applicable	The firm has not facilitated any transaction in mutual fund schemes through stock exchange infrastructure.
SEBI Master circular Ref. No. SEBI/HO/MIRSD-PoD-2/P/CIR/2023/89/ dated June 15, 2023 – VI (11)	<u>Unauthenticated news circulated by SEBI Registered Market Intermediaries through various modes of communication:</u> Compliance of aforementioned point VI (11) of master circular by registered investment advisers.	Not Applicable	There was no unauthenticated news circulated by the firm during the audit period.
SEBI Master circular Ref. No. SEBI/HO/MIRSD-PoD-2/P/CIR/2023/89/ dated June 15, 2023 - VI (12)	<u>Guidelines on Outsourcing of Activities by Intermediaries</u> Compliance of aforementioned point VI (12) of master circular by registered investment advisers.	Not Applicable	The firm is not outsourcing any activity.
SEBI Master circular Ref. No. SEBI/HO/MIRSD-PoD-2/P/CIR/2023/89/ dated June 15, 2023 – VI (13)	<u>Framework for Regulatory Sandbox:</u> Compliance of aforementioned point VI (13) of master circular by registered investment advisers.	Not Applicable	The firm has not made any application under regulatory sandbox
SEBI Master circular Ref. No. SEBI/HO/MIRSD-PoD-2/P/CIR/2023/89/ dated June 15, 2023 - VI (14)	<u>General Guidelines for dealing with Conflicts of Interest of intermediaries and their Associated Persons in Securities Market:</u>	Not Applicable	The firm does not have any associated

	Compliance of aforementioned point VI (14) of master circular by registered investment advisers.		persons in securities market.
SEBI Master circular Ref. No. SEBI/HO/MIRSD-PoD-2/P/CIR/2023/89/ dated June 15, 2023 – VI (15)	<u>Approach to securities market data access and terms of usage of data provided by data sources in Indian securities market:</u> Compliance of aforementioned point VI (15) of master circular by registered investment advisers.	Not Applicable	The firm has not accessed data from data sources.
SEBI Master circular Ref. No. SEBI/HO/MIRSD-PoD-2/P/CIR/2023/89/ dated June 15, 2023 – VI (17)	<u>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:</u> 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	<u>Reporting Requirements:</u> 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	<u>ANNEXURES</u> Has IA followed all the annexures as prescribed in point VIII of Master circular.	Not Complied	The Firm has not included few clauses in the client agreement as per Annexure A.

SCHEDULE

Sr. no.	Regulation / Circular	Observation
1.	Regulation 16(a)	<ul style="list-style-type: none">• The Firm has obtained from the clients all such information as is necessary and mentioned in the regulations for giving investment advice as mentioned in Regulation 16(a), except details about existing investments or assets and liability or borrowing details from a few clients.
2.	Regulation 18	<ul style="list-style-type: none">• The Firm has disclosed all material information about itself including its business, disciplinary history, the terms and conditions on which it offers advisory services and such other information as is necessary to the clients as mentioned under Regulation 18(1) of the IA Regulations, except affiliations with other intermediaries and details about group company are not updated in a few old agreements.• The Firm has disclosed its holding or position in the financial products or securities which are subject matter of advice as required under as required under Regulation 18(4) of the IA regulations via agreements. The same is not mentioned in a few agreements. It is suggested to make the said disclosures in the document for investment advice instead of client agreements.
3.	SEBI Master circular Ref. No. SEBI/HO/MIRSD-PoD-2/P/CIR/2023/89/ dated June 15, 2023 - Clause 1.2(ii) and Annexure A	<ul style="list-style-type: none">• The Firm has not included the following clauses in the client agreements - death of the client, amendment, no right to seek power of attorney, Investment Adviser engaged in other activities clauses is not mentioned in the client agreements.• As per Annexure A, the following details are required to be mentioned on the first page of the agreement - Fees specified under Investment Adviser Regulations and relevant circulars and fees charged to the client. The same is not mentioned as required on first page of the agreement, but is mentioned in a separate annexure.• There is no mechanism to check if the signed copies of the agreement were provided to clients as the said copies were provided to most of the clients physically.

4.	SEBI Master circular Ref. No. SEBI/HO/MIRSD-PoD-2/P/CIR/2023/89/ dated June 15, 2023 - Clause 1.2(ix)	<ul style="list-style-type: none"> The Firm has displayed details on the website and in other communication channels, but not in the rationale and other reports sent to clients related to investment advice.
5.	Usage of brand name/trade name – SEBI Master circular Ref. No. SEBI/HO/MIRSD-PoD-2/P/CIR/2023/89/ dated June 15, 2023 - VI (9) and BASL Circular No. 20230411-1 dated April 11, 2023	<ul style="list-style-type: none"> The Firm has disclosed about the brand name on the website as per SEBI master circular SEBI/HO/MIRSD-PoD-2/P/CIR/2023/89/ dated June 15, 2023 - VI (9) and BASL Circular No. 20230411-1 dated April 11, 2023, but the firm has not disclosed about the brand name in the agreements for older clients. “Disclaimer” is not mentioned in client agreements, forms, reports, in email correspondence and other correspondence with the clients after May 1, 2023.

For Kruti Gogri and Co.

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by KRUTI KUNAL
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Date: 2024.09.27
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**CS Kruti Gogri
Proprietor**

**Membership no. A21498
CP. No. 13401**

**UDIN No.: A021498F001349077
Date: September 27, 2024**



PI SQUARE ADVISORS

B-1808, Navratna Corporate Park, Ambli Bopal Road, Ahmedabad – 380058
Tel: +91 2717 459 271 Email : hr@pisquareinvestments.com
www.pisquareinvestments.com

Date: Sep 28, 2024

To,
Securities and Exchange Board of India
Market Intermediaries Regulation & Supervision Department
SEBI Bhavan II, Bandra Kurla Complex,
Bandra (E), Mumbai - 400 051

Sub: Action Taken Report on the adverse findings in the compliance audit report for FY 23-24

Dear Sir / Madam,

Following are the details of the action taken by the management on the adverse findings in the compliance audit report for FY 23 - 24:

Sr. No.	Observation of the auditor	Action taken by the management
1	<ul style="list-style-type: none">The Firm has obtained from the clients all such information as is necessary and mentioned in the regulations for giving investment advice as mentioned in Regulation 16(a), except details about existing investments or assets and liability or borrowing details from a few clients.	<ul style="list-style-type: none">We already have a segment for Assets & Liabilities in the agreement which the clients fill up. However, not every client is comfortable disclosing their asset & liability details as we only advise them on a small portion of their net worth.
2	<ul style="list-style-type: none">The Firm has disclosed all material information about itself including its business, disciplinary history, the terms and conditions on which it offers advisory services and such other information as is necessary to the clients as mentioned under Regulation 18(1) of the IA Regulations, except affiliations with other intermediaries and details about group company are not updated in a few old agreements.The Firm has disclosed its holding or position in the financial products or securities which are subject matter of advice as required under as required under Regulation 18(4) of the IA regulations via agreements. The same is not mentioned in a few agreements. It is suggested to make the said disclosures in the document for investment advice instead of client agreements.	<ul style="list-style-type: none">We shall get new agreements signed by the clients where the disclosures are missing.
3	<ul style="list-style-type: none">The Firm has not included the following clauses	<ul style="list-style-type: none">We shall get a new agreement



	<p>in the client agreements - death of the client, amendment, no right to seek power of attorney, Investment Adviser engaged in other activities clauses is not mentioned in the client agreements.</p> <ul style="list-style-type: none"> As per Annexure A, the following details are required to be mentioned on the first page of the agreement - Fees specified under Investment Adviser Regulations and relevant circulars and fees charged to the client. The same is not mentioned as required on first page of the agreement, but is mentioned in a separate annexure. There is no mechanism to check if the signed copies of the agreement were provided to clients as the said copies were provided to most of the clients physically. 	<p>signed by the clients ensuring all the clauses are included therein.</p> <ul style="list-style-type: none"> The fees clause will also be added in the initial pages. If it is mandatory to maintain records for sharing signed copies, we shall send it them over email too.
	<ul style="list-style-type: none"> The Firm has displayed details on the website and in other communication channels, but not in the rationale and other reports sent to clients related to investment advice. 	<ul style="list-style-type: none"> We have made necessary changes to the rationale and the same shall be shared with the clients going forward.
	<ul style="list-style-type: none"> The Firm has disclosed about the brand name on the website as per SEBI master circular SEBI/HO/MIRSD-PoD-2/P/CIR/2023/89/ dated June 15, 2023 - VI (9) and BASL Circular No. 20230411-1 dated April 11, 2023, but the firm has not disclosed about the brand name in the agreements for older clients. "Disclaimer" is not mentioned in client agreements, forms, reports, in email correspondence and other correspondence with the clients after May 1, 2023. 	<ul style="list-style-type: none"> We have made necessary changes to the agreement. Disclaimer has been added to the website and will be added to all other communication going forward.

Thanking you,

With regards,

For Pi Square Advisors



Vishrut Pathak
Principal Officer

c.c. : BSE Administration & Supervision Ltd.
25th Floor, P. J. Towers, Fort
Mumbai 400 023.