



V P S & CO

CHARTERED ACCOUNTANTS

Contact No - +91- 9212100995, +91- 7011960097,

Website - www.vpsgroup.co.in Email - carajat@vpsgroup.co.in, carajatbhalla@gmail.com

Office - HO. D-43, Kaushambi, Opp. Malaygiri Apartment, Ghaziabad (UP) – 201010

Compliance Audit Report

Client Bharosa Technoserve Private Limited
Period FY 2022-23
Auditor CA Rajat M Bhalla (VPS & Co., Chartered Accountants)
Dated 16th June 2023

Brief about the Bharosa Technoserve Private Limited

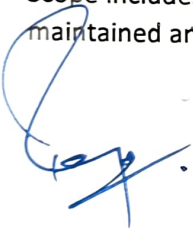
- Bharosa Technoserve Private Limited (hereinafter referred to as 'Company') has been granted the Certificate of Registration by the Securities and Exchange Board of India (hereinafter referred to as 'Board') to carry on the business of Investment Adviser under registration number INA100004657 w.e.f. 6th May 2016.
- Company's business model consists of two distinct parts:
 1. Bharosa Club Investment Adviser, a Division of Bharosa Technoserve Private Limited, an investment advisory business, for providing specific investment advice under the Certificate of Registration as Investment Adviser of SEBI.
Division has discontinued, w.e.f. 1st Apr 2022, all services which involved specific investment advice under the Certificate of Registration as Investment Adviser of SEBI. Also Division has not added new subscribers during the financial year FY 2022-23.
 2. www.bharosaclub.com, The Bharosa Club website (hereinafter referred to as 'Bharosa Club') provides tools that enable its members to make comparisons between different Mutual funds, various options with Smallcase and Equity stocks.
In addition, for the convenience of members of Bharosa Club, they have also included the ability for members to transact on Bharosa Club's platform. This is a completely an optional capability that requires no additional fee to utilize.
Bharosa Club uses Mutual Fund Utility's white label service to enable members' transactions. Bharosa Club also does not get paid in any other form for these transactions
- Mr. Sahil Bhargava is Director cum Principal Officer of the Company.

Material Changes during FY 2022-23

- Bharosa Club Investment Adviser, a Division of Bharosa Technoserve Private Limited, an investment advisory business has discontinued all services which involved specific investment advice w.e.f. 1st Apr 2022.
- Division has not added new subscribers during the financial year FY 2022-23.
- Company has communicated to subscribers vide email dated 1st Feb and 10th Feb 2022 and blog published on its website dated 31st Jan 2022, 28th Feb 2022 and 31st Mar 2022 about above decision and also detailed the process of refunding unused subscription fees after 1st Apr 2022 alongwith refundable amount vide email dated 1st Feb and 1st Mar 2022.
- Company has informed local office of Securities and Exchange Board of India and BSE Supervision and Administration Limited vide letter dated 18th Sep about discontinuance of all services which involved specific investment advice w.e.f. 1st Apr 2022.

Scope of Audit

- To conduct a Compliance audit in adherence to Regulation 19(3) of Securities and Exchange Board of India (Investment Advisers) Regulations 2013 dated 21st Jan 2013 and amendments made thereafter.
- The Audit has been conducted only for Investment advisory business i.e. Bharosa Club Investment Adviser, a Division of Bharosa Technoserve Private Limited (hereinafter referred to as 'Division').
- Scope includes review of compliance with Regulations & Circulars of the Board, records and documents maintained and other relevant information pertinent to advisory business shared by the Division.



Our approach

- Review of Compliance with Securities and Exchange Board of India (Investment Advisers) Regulations 2013 dated 21st Jan 2013 and amendments made thereafter
- Review of Circulars issued by Board from time to time with respect to Know your customer, Operation of Business of Investment Advisers etc.
- Review of records maintained by Company with respect to its interaction with clients on a sample basis:
 1. Know Your Client records / Risk profiling / Copies of Client agreements
 2. Proof of Fees and channel through which fees received
 3. Investment advice provided
- Taken declaration of Principal Officer of the Company, Mr. Sahil Bhargava in respect of areas or requirements which cannot be reviewed with data and information available & provided by the Company.
- Detailed Audit Report is given in Annexure 1.
- Declaration of Principal Officer of the Company, Mr. Sahil Bhargava is included in Annexure 2.

For VPS & Co

Chartered Accountants,

(Firm Registration No: 016396C)



CA Rajat Manhik Bhalla

Partner

Membership No. 099827

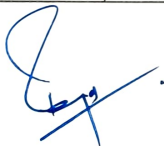
Date 16th June 2023

UDIN 23099827BGYUJQ4644

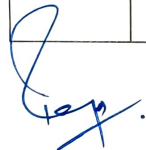
Annexure 1

Name of BASL enrolled Investment Adviser	Bharosa Technoserve Private Ltd
BASL Membership ID.	1391
SEBI Registration No.	INA100004657
Annual compliance Audit Report for FY ended	2022-2023

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 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.	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	- Complied with all requirements of Regulation 6 except clause 6 (c) with respect to Regulation 7. - Same has been explained under Regulation 7	
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).	Not- Complied	- Complied with all requirements of Regulation 7 except the requirement with respect to qualification - The Director cum Principal Officer, Mr. Sahil Bhargava, is Bachelors of Arts in Economics from University of Chicago. - He was advised to comply with minimum qualification requirements of a professional qualification or post-graduate degree or post graduate diploma (minimum two years in duration) within three years (#) as per Proviso to Regulation 7(1) (a). # from the date of coming into force of the Securities and Exchange Board of India (Investment Advisers) (Amendment) Regulations, 2020 i.e. 30.09.2020	- Bharosa Technoserve Private Ltd (hereinafter referred to as the 'Company') has already discontinued w.e.f. 1st Apr 2022 all services which involved specific investment advice under the Certificate of Registration as Investment Adviser of SEBI. - As and when Company will start providing Investment advice, it shall ensure to appoint a principal Officer who will be compliant with Regulations for Investment Advisers.



SEBI/HO/IMD/DF1/CIR/P/2020/182 (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 specified under Regulation 7(2) of the amended IA regulations at all times.	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.	Complied	Net worth as at 31st March 2023 was Rs 1,20,47,452	
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.	Complied		
SEBI/HO/IMD/DF1/CIR/P/2020/182 (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.	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.	Not Applicable	Company has already discontinued, w.e.f. 1st Apr 2022, all services which involved specific investment advice under the Certificate of Registration as Investment Adviser of SEBI.	
Regulation 15A	<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.	Not Applicable	- Company has discontinued, w.e.f. 1st Apr 2022, all services which involved specific investment advice under the Certificate of Registration as Investment Adviser of SEBI. - Company has not added new subscribers during the financial year and also refunded fees of subscribers existing as on 31st March 2022, who has claimed the fees basis communication from Company to all the existing subscribers.	



SEBI/HO/IMD/DF1/ CIR/P/2020/182 (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.	Not Applicable	Company has discontinued, w.e.f. 1st Apr 2022, all services which involved specific investment advice under the Certificate of Registration as Investment Adviser of SEBI and not added new subscribers during the financial year	
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.	Not Applicable	Company has discontinued, w.e.f. 1st Apr 2022, all services which involved specific investment advice under the Certificate of Registration as Investment Adviser of SEBI and not added new subscribers during the financial year	
Regulation 17	<u>Suitability</u> Investment adviser shall ensure suitability of the advice being provided to the client.	Not Applicable	Company has discontinued, w.e.f. 1st Apr 2022, all services which involved specific investment advice under the Certificate of Registration as Investment Adviser of SEBI and not added new subscribers during the financial year	
SEBI/HO/IMD/DF1/ CIR/P/2020/182 (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 onboard non-individual clients if they are unable to do risk profiling of the non-individual client in the absence of investment policy.	Not Applicable	Company has discontinued, w.e.f. 1st Apr 2022, all services which involved specific investment advice under the Certificate of Registration as Investment Adviser of SEBI and not added new subscribers during the financial year	
Regulation 18	<u>Disclosure to clients</u> This involves disclosure of all necessary information by the investment adviser to its clients.	Not Applicable	Company has discontinued, w.e.f. 1st Apr 2022, all services which involved specific investment advice under the Certificate of Registration as Investment Adviser of SEBI and not added new subscribers during the financial year	
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.	Complied		
SEBI/HO/IMD/DF1/ CIR/P/2020/182 (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.	Complied		

SEBI/HO/IMD/DF1/ CIR/P/2020/182 (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 nor any fee is charged until the client has signed the aforesaid agreement.	Not Applicable	Company has discontinued, w.e.f. 1st Apr 2022, all services which involved specific investment advice under the Certificate of Registration as Investment Adviser of SEBI and not added new subscribers during the financial year	
Regulation 20	<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.	Complied		
Regulation 21	<u>Redressal of client grievances</u> Investment adviser shall redress client grievances promptly through an adequate procedure.	Complied	- Though Company has discontinued, w.e.f. 1st Apr 2022, all services which involved specific investment advice but it has communicated to all existing subscribers as on 31st March 2022 the email id where they can approach Company in case of requirement / grievances - Also Company has a SCORES registration	
Regulation 22	<u>Client level segregation of advisory and distribution activities</u> (1) An individual investment adviser shall not provide distribution services. (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. (3) A non-individual investment adviser shall have client level segregation at group level for investment advisory and distribution services. (4) 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.	Not Applicable		
SEBI/HO/IMD/DF1/ CIR/P/2020/182 (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.	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.	Not Applicable		
SEBI/HO/IMD/DF1/CIR/P/2020/182 (Dated September 23, 2020) Clause 2(ix)	<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.	Not Applicable	Company has discontinued, w.e.f. 1st Apr 2022, all services which involved specific investment advice under the Certificate of Registration as Investment Adviser of SEBI and not added new subscribers during the financial year	
(SEBI/HO/MIRSD2/DOR/CIR/P/2020/221) dated November 03, 2020)	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.	Complied		
SEBI/HO/IMD/IMD-II CIS/P/CIR/2021/0686 (Dated December 13, 2021)	<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 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.	Not Applicable	Company has discontinued, w.e.f. 1st Apr 2022, all services which involved specific investment advice under the Certificate of Registration as Investment Adviser of SEBI and not added new subscribers during the financial year	



Mr Rajat Bhalla

VPS & Co.

Partner

I Sahil Bhargava (Principal Officer of Bharosa Technoserve Private Limited (BTPL)) hereby declare that:

1. I am in compliance with Net worth requirements of SEBI as at 31st March 2023 on the basis of unaudited financials as at 31st Mar 2023 (Rs 1.20 cr). I will keep you informed in case BTPL do not comply with the Net worth requirement as per audited financials as at 31st March 2023.
2. The details of Qualification, experience and certification submitted with respect to Principal Officer and other persons associated with investment advice are true and correct.
3. Company has discontinued, w.e.f. 1st Apr 2022, all services which involved specific investment advice under the Certificate of Registration as Investment Adviser of SEBI.
4. Company has not added new subscribers during the financial year and also refunded fees of subscribers existing as on 31st March 2022. The unclaimed fees of subscribers existing as on 31st March 2022 shall be refunded as and when claim by the subscribers.
5. BTPL is maintaining an arms-length relationship between its activities as an investment adviser and other activities
6. BTPL has ensured that its investment advisory services are clearly segregated from all its other activities.
7. BTPL has ensured that in case of any conflict of interest of the investment advisory activities with other activities, such conflict of interest has been disclosed to the client.
8. BTPL has not divulge any confidential information about its client, which has come to its knowledge, without taking prior permission of its clients, except where such disclosures are required to be made in compliance with any law for the time being in force.
9. BTPL has abide by Code of Conduct as specified in Third Schedule of Securities and Exchange Board of India (Investment Advisers) Regulation, 2013 dated 21st January 2013 and amended subsequently.
10. BTPL has not provided free trial of any products/services they are offering to prospective clients during the financial year 2022-23.
11. BTPL has complied with Disclosure requirements of Regulation 18 of Securities and Exchange Board of India (Investment Advisers) Regulation, 2013 dated 21st January 2013 and amended subsequently.
12. BTPL has not provided Distribution Services during the financial year 2022-23.





13. BTPL has not provided services for Implementation of advice or execution during the financial year 2022-23 in compliance with Regulation 22A of Securities and Exchange Board of India (Investment Advisers) Regulation, 2013 dated 21st January 2013 and amended subsequently.
14. No disciplinary action has been taken by the Board or any other regulatory authority against BTPL or any person directly or indirectly connected to BTPL under the respective Act, rules or regulations made thereunder.

For Bharosa Technoserve Private Limited,

Sahil Bhargava

Designation – Director cum Principal Officer

SEBI Registration No.: INA100004657

BASL Membership ID.: 1391

Date: 29th May 2023

