



HIMANSHU SHARMA & CO.
CHARTERED ACCOUNTANT

Mob: 9166131373

Email: sharmacacc@gmail.com

COMPLIANCE AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023

[PURSUANT TO REGULATION 19(3) OF THE SEBI
(INVESTMENT ADVISERS) REGULATIONS, 2013]

I have conducted the Compliance Audit with respect to the compliance of SEBI (Investment Advisers) Regulations, 2013 ("Regulations") of Ark Primary Advisors Pvt Ltd, a SEBI Registered Investment Adviser, having Registration Number – INA100001927 (hereinafter called "the Investment Adviser").

Based on my review of the records as shared with me by the Investment Adviser and also the information provided by the Investment Adviser during the conduct of compliance audit, I hereby report that in my opinion, the Investment Adviser has, during the audit period covering the Financial Year ended 31st March 2023, has complied with the Regulations listed hereunder to the extent, in the manner and subject to the reporting made hereinafter.

Name of BASL enrolled Investment Adviser	Ark Primary Advisors Pvt Ltd
BASL Membership ID	1399
SEBI Registration No.	INA100001927
Annual Compliance Audit Report for Year Ended	2022-2023

Date: 30/09/2023

UDIN: 23433366BGVWFP5974

For Himanshu Sharma & Co.,

Chartered Accountants,

(Firm Registration No. 022876C)



(CA Himanshu Sharma)
(Membership No. 433366)



HIMANSHU SHARMA & CO.
CHARTERED ACCOUNTANT

Mob: 9166131373

Email: sharmacoco@gmail.com

Compliance Audit Report

2022-23

ARK PRIMARY ADVISORS PVT LTD

SEBI Reg. No.: INA100001927

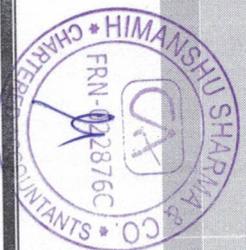


Clause 2(vii) SEBI Circular No. SEBI/HO/IMD/DF1/CIR/P/2020/182 dated September 23, 2020

- (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	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.	<input checked="" type="checkbox"/> Complied <input type="checkbox"/> Not-Complied <input type="checkbox"/> Not Applicable		
Regulation 6	Consideration of application and	<input checked="" type="checkbox"/> Complied		



	<p><u>eligibility criteria</u> Regulation 6 states all matters, which are relevant for the purpose of grant of certificate of registration.</p>	<p>Not- Complied <input type="checkbox"/> Not Applicable</p>
<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><input checked="" type="checkbox"/> Complied <input type="checkbox"/> Not- Complied <input type="checkbox"/> Not Applicable</p>
<p>SEBI/HO/MD/DF1/CIR/P/2 020/182 (Dated September 23, 2020) Clause (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><input checked="" type="checkbox"/> Complied <input type="checkbox"/> Not- Complied <input type="checkbox"/> Not Applicable</p>
<p>Regulation 8</p>	<p>Net worth</p>	<p><input checked="" type="checkbox"/> Complied</p>



	<p>(1) Investment advisers who are non-individuals shall have a net worth of not less than fifty lakh rupees.</p> <p>(2) Investment advisers who are individuals shall have net tangible assets of value not less than five lakh rupees.</p>	<p><input type="checkbox"/> Not-Complied</p> <p><input type="checkbox"/> Not Applicable</p>	
<p>Regulation 13</p> <p>SEBI/HO/IMD/DF1/CIR/P/2 020/182 (Dated September 23, 2020) Clause 2(v)</p>	<p><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.</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><input checked="" type="checkbox"/> Complied</p> <p><input type="checkbox"/> Not-Complied</p> <p><input type="checkbox"/> Not Applicable</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><input checked="" type="checkbox"/> Complied</p> <p><input type="checkbox"/> Not-Complied</p> <p><input type="checkbox"/> Not Applicable</p>	
<p>Regulation 15 A</p>	<p><u>Fees</u> Investment Adviser shall be entitled to charge fees for providing investment</p>	<p><input checked="" type="checkbox"/> Complied</p> <p><input type="checkbox"/> Not-Complied</p> <p><input type="checkbox"/> Not Applicable</p>	



		advice from a client in the manner as specified by the Board.		
SEBI/HO/IMD/DF1/CIR/P/2 020/182 (Dated September 23, 2020) Clause 2(iii)		Fees 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		Risk profiling 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		Suitability 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)		Risk profiling and suitability for non-individual clients. (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	<input type="checkbox"/> Complied <input type="checkbox"/> Not-Complied <input checked="" type="checkbox"/> Not Applicable	The IA only provides advice to individual client.



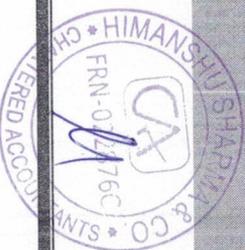
		not to onboard non-individual clients if they are unable to do risk profiling of the non-individual client in the absence of investment policy.		
Regulation 18		<u>Disclosure to clients</u> This involves disclosure of all necessary information by the investment adviser to its clients.	<input checked="" 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	<input checked="" type="checkbox"/> Complied <input type="checkbox"/> Not-Complied <input type="checkbox"/> Not Applicable	



	<p>rendered nor any fee is charged until the client has signed the aforesaid agreement.</p>	
<p>Regulation 20</p>	<p>Appointment of Compliance officer An investment adviser shall appoint a compliance officer who shall be responsible for monitoring the compliance by the investment adviser.</p>	<p><input checked="" type="checkbox"/> Complied <input type="checkbox"/> Not-Complied <input type="checkbox"/> Not Applicable</p>
<p>Regulation 21</p>	<p>Redressal of client grievances Investment adviser shall redress client grievances promptly through an adequate procedure.</p>	<p><input checked="" type="checkbox"/> Complied <input type="checkbox"/> Not-Complied <input type="checkbox"/> Not Applicable</p>
<p>Regulation 22</p>	<p>Client level segregation of advisory and distribution activities. (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.</p>	<p><input checked="" type="checkbox"/> Complied <input type="checkbox"/> Not-Complied <input type="checkbox"/> Not Applicable</p>



<p>SEBI/HO/IMD/DF-I/CIR/P/2 020/182 (Dated September 23, 2020) Clause 2(i)</p>	<p>(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.</p> <p><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.</p>	<p>✓ Complied <input type="checkbox"/> Not-Complied <input type="checkbox"/> Not Applicable</p>
<p>Regulation 22A</p>	<p><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</p>	<p>✓ Complied <input type="checkbox"/> Not-Complied <input type="checkbox"/> Not Applicable</p>



<p>SEBI/HO/IMD/DF1/CIR/P/2 020/182 (Dated September 23, 2020) Clause 2(ix)</p>	<p>services offered by the investment adviser. <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 type="checkbox"/> Complied <input type="checkbox"/> Not-Complied <input checked="" type="checkbox"/> Not Applicable</p>	<p>The IA has confirmed that it is not using any SaaS based solutions</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</p>	<p><input checked="" type="checkbox"/> Complied <input type="checkbox"/> Not-Complied <input type="checkbox"/> Not Applicable</p>	



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.

Name and Contact Details of Principal Officer

Name : Hemant Kumar Beniwal
Mail id : ria@arkfp.in
Contact No : 9829944400

Name and Contact Details of Compliance Officer

Ravi Varivani
Mail id : ravi@arkfp.in
Contact No : 9413881404

Total No. of Clients as on 31-03-2023

56



UDIN 23433366BGYW/FP5974

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, The Investment adviser Conducted the cyber security awareness programme on 21.07.2022.	<input type="checkbox"/>			
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 type="checkbox"/> Complied <input type="checkbox"/> Not-Complied <input checked="" type="checkbox"/> Not Applicable		The IA has confirmed that they do not use telemarketing	
Last SEBI / BASL Inspection carried out date and Whether complied with inspection Observations.					

Date: 30/09/2023

UDIN: 23433366BGYW/FP5974

For Himanshu Sharma & Co.,

Chartered Accountants,

(Firm Registration No. 022876C)


(Signature)
(CA Himanshu Sharma)

(Membership No. 433366)

Certificate in respect of Regulation 22 of IA SEBI (Amendment) Regulation, 2020

This is to certify that Ark Primary Advisors Pvt Ltd (CIN: U74140RJ2009PTC029994) has client level segregation of advisor and distribution activities. We have examined in respect to Regulation 22 that the same client can either be an advisory client where no distributor consideration is received at the group level or distribution services client where no advisory fee is collected from the client at the group level.

In case of existing clients, clients who which to take advisory services has not taken distribution services within the group/family of IA, and vice versa as the case may be. The existing clients have given discretion to continue holding assets prior to the applicability of this segregation under the existing advisory/distribution arrangement. Hence the client has not been forced to liquidate/switch such existing holding.

In case of new clients the option has been provided to such client whether avail advisory or distribution services from IA at the time of on boarding such client.

For HIMANSHU SHARMA & CO



(CA HIMANSHU SHARMA)
M. No. 433366

