

CIRCULAR

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Category

SUPERVISION

Segment

BASL

Subject

Submission of Annual Compliance Audit Report by Investment Advisers FY
23-24

Attachments

- [Annexure](#)



Notice Dated: 03-06-2024

Sub.: Submission of Annual Compliance Audit Report by Investment Advisers

Attention of BASL enrolled Investment Adviser (IA) members is drawn to Regulation 19(3) of the SEBI (Investment Advisers) Regulation, 2013, SEBI circular No. SEBI/HO/IMD/DF1/CIR/P/2020/182 dated September 23, 2020, and SEBI Master Circular No. SEBI/HO/MIRSD-PoD-2/P/CIR/2023/89 dated Jun 15, 2023.

As per SEBI (Investment Advisers) Regulation, 2013, investment advisers are required to conduct yearly audit in respect of compliance with the IA regulations and circulars, from a member of Institute of Chartered Accountants of India or Institute of Company Secretaries of India within six months from the end of each financial year i.e. on or before September 30. Investment advisers are also required to ensure that the adverse findings of the audit, if any, along with the action taken report thereof duly approved by the individual IA / management of the non -individual IA need to be reported within a period of one month from the date of the audit report but not later than October 31st of each year for the previous financial year.

A format of the audit report (to be duly signed by both the Investment Adviser and by the auditor) is attached. Investment advisers are advised to submit compliance of all the regulations mentioned in SEBI ((Investment Advisers) Regulation, 2013 as amended from time to time.

Further, as per SEBI circular no. SEBI/HO/IMD/DF1/CIR/P/2020/182 dated September 23, 2020, Investment Advisers need to obtain and maintain on record an annual certificate from an auditor (in case of Individual IA) and its statutory auditor (in case of a non- individual IA) within six months of the end of the financial year, confirming compliance with the client level segregation requirements as specified in the SEBI (Investment Advisers) Regulation, 2013. The said certificate shall also be submitted along with the annual compliance audit report.

Accordingly, BASL (IA) members need to submit the following:

- Auditor Certificate as per format attached.
- Annual compliance audit report in terms of Regulation 19(3) of the SEBI (Investment Advisers) Regulation, 2013 along with certificate confirming compliances with client level segregation on or before September 30, 2024. The year wise status of having carried out the annual audit needs to be mandatorily displayed on IA's website.
- 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.

BASL enrolled Investment Adviser members are advised to submit the above-mentioned reports for the financial year ended 31st March 2024 within the stipulated time period.

BASL IA members are advised to mention the subject of their email for aforesaid compliance reporting as “ACR for FY ended 2023-2024 – BASL IA Member Name _____ BASL Member ID : _____.” and submit the same to BASL email id : compliance.ria@bseasl.com

All Investment Advisers are requested to take note and comply with the said circular.

For and on behalf of BSE Administration & Supervision Ltd.

Neeky Subramaniam
Associate Manager

Diksha Jha
Senior Officer