



DIVYA CHHABRA & ASSOCIATES

CHARTERED ACCOUNTANTS

To,

Plutus Advisors

Office No. 913, 9th Floor,

Sunshine Tower, Senapati Bapat Marg,

Dadar West, Mumbai

Maharashtra-400013

Dear Sir,

We have conducted the **Annual Audit of your Research Analyst Business as required by SEBI Regulations.**

We are enclosing herewith copy of **Audit Report for the Period April 2023 to March 2024.**

Kindly acknowledge the receipt of the same.

Yours Faithfully,

For Divya Chhabra & Associates
Chartered Accountants
FR No. 042140N

Divya Chhabra
M.No. 525630



Place: Delhi

Date : 16 April 2025

UDIN No.: 25525630BMNXVL5278

Background

Plutus Advisors is SEBI Registered Research Analyst with Registration No. INH000010229.

As a part of the ongoing compliance of **Securities Exchange Board of India (Research Analyst) Regulations 2014**, Research Analyst 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**.

Chartered Accountants have been assigned the audit of internal control systems of Research analyst business for ensuring secure and continuous business operations and identifying possible lapses/ inadequacies/ deficiencies, if any based-on compliance requirements/guidance/circular issued by SEBI.

Audit Period:

The Audit period for the current audit is **April 2023 to March 2024**.

Scope of our Assignment

Internal control systems implemented for business processes play an important role in efficient conduct of business & client servicing. It realizes the importance of continuous reviews in order to evaluate the efficiency of internal control mechanisms implemented for various business processes as all for ensuring Regulatory Compliance. With this perspective, the scope of audit for the **Audit period April 2023 to March, 2024** included the following:

Sr.No.	Areas/Scope of work covered
1.	Review of Internal Policies & Procedures
2.	Certificate of Registration
3.	Review of Capital adequacy
4.	Qualification and certification Requirement
5.	Personal trading by Research Analyst
6.	Compensation of Research Analyst
7.	Compliance to publication of Research Report, Public appearance and conduct of business.
8.	Adequacy of Disclosures in Research Report
9.	Review of structure of Research Report
10.	Recommendation in Public Media
11.	Distribution of Research Reports.

S No.	Requirements as per the Regulation	Compliance Status	Auditor's Comments
A.	Registration of Research Analyst		
1.	Application for grant of certificate		



	On and from the commencement of these regulations, no persons shall act as a research analyst or research entity or hold itself out as a research analyst unless he has obtained a certificate of registration from the board under these regulation: Provided that any persons acting as research analyst or research entity before the commencement of these regulations may continue to do so for a period of six months from such commencement or, if it has made an application for a certificate of registration under sub-regulation (2) within the said period of six months, till the disposal of such application	Complied	Plutus Advisors has made an application for registration to SEBI In Prescribed Form A and has obtained a certificate of registration from Board on Oct 18,2022
2	Issuance of research report by a person located outside India.	Not Applicable	
	Any persons located outside India engaged in issuance of research report or research analysis in respect of securities listed or proposed to listed on a stock exchange shall enter into an agreement with a research report or research entity registered under these regulations.	Not Applicable	Plutus Advisors Does not have association with any person located outside India for issuance of research report or analysis for securities listed or proposed to be listed on stock exchange in India.
B	Qualification and certification Requirement		
1.	Minimum Qualifications		
	Whether an individual registered as research analyst under these regulations, Individual employed a research analyst and partners of a research analyst, if any, engaged in preparation and/or publication of research report or research analysis does have the minimum qualification at all times	Complied	Mr Prakash Pandey (Partner And Principle Officer) Of Plutus Advisors Has minimum qualification during the audit period as per SEBI Regulation 7 of Research Analysts Regulation 2014
2	NISM Certification		
	Whether an Individual registered As research analyst have NISM Research Analyst (Module 15) at all times.	Complied	Mr Prakash Pandey (Partner And Principle Officer) Of Plutus Advisors Has NISM Research Analyst (Module 15) certification during the Audit period.
S No.	Requirements as per the Regulation	Compliance Status	Auditor's Comments
C	Capital Adequacy		



1.	A research analyst who is body corporate shall have a networth of not less than twenty five lakh rupees	Complied	Plutus Advisors, being a partnership firm, has a net-worth of more than One Lacs rupees during the audit period.
D.	Adherence to conditions of certificate		
	The certificate granted under regulation 9 shall, inter alia, be subjected to the following conditions		
a.	The research analyst shall forthwith 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	Based on the verification of records provided by RA Plutus Advisors, No material change in business had taken place during the audit period.
b.	Research analyst registered under these regulations shall use the term "Research Analyst" in all correspondences with its clients	Complied	Plutus Advisors has used the term "Research Analyst" in all correspondence with his clients.
E	Chapter III- Management of Conflicts of interest and disclosure requirements		
1.	Establishing internal policies and procedures		
a.	Research analyst or research entity shall have written internal policies and control procedures governing the dealing and trading by any research analyst for: (i) addressing actual or potential conflict of interest arising from such dealings or trading of securities of subject company; (ii) promoting objective and reliable research that reflects the unbiased view of research analyst; and (iii) Preventing the use of research report or research analysis to manipulate the securities market.	Complied	Plutus Advisors has internal policies and procedures on dealing Procedures Manual. Indian selfservice PA dealing steps, Research Procedures manual which fulfill the regulatory requirement.
b.	Research analyst or research entity shall have in place appropriate mechanism to ensure independence of its research activities from its other business activities.	Complied	Plutus Advisors have in place appropriate mechanism to ensure independence of their research activities from their other business activities.
2.	Limitations on trading by research analysts		



a.	Personal trading activities of the individuals employed as research analyst by research entity shall be monitored, recorded and wherever necessary, shall be subject to a formal approval process.	Complied	Plutus Advisors has appropriate mechanism to monitor the personal trading activities of the individuals employed as Research Analyst
b.	Independent research analysts, individuals employed as research analyst by research entity or their associates shall not deal or trade in securities that the research analyst recommends or follows within thirty days before and five days after the publication of a research report.	Complied	Plutus Advisors, Partners, principle officer and employees of Plutus Advisors have not dealt or traded in the securities that they recommended or follows within thirty days before and five days after publication of research report.
c.	Independent research analysts, individuals employed as research analysts by research entity or their associates shall not deal or trade directly or indirectly in securities that he reviews in a manner contrary to his given recommendation.	Complied	Plutus Advisors, Partners, principle officer and employees of Plutus Advisors have not dealt or traded directly or indirectly in securities that they reviewed in a manner contrary to his given recommendation.
d.	Independent research analysts, individuals employed as research analysts by research entity or their associate shall not purchase or receive securities of the issuer before the issuer's initial public offering, if the issuer is principally engaged in the same types of business as companies that the research analyst follows or recommends.	Complied	Individuals Employed as Research Analyst by Plutus Advisors or their associate have not purchased or receive securities of the issuer before the issuer initial public offering
3.	Compensation of research analysts.		
a.	Research entity shall not pay any bonus, salary or other form of compensation to any individual employed as research analyst that is determined or based on any specific merchant banking or investment banking or brokerage services transaction.	Complied	Plutus Advisors has not paid any bonus, salary or other form of compensation to any individual employed as research analyst that is determined or based on any specific merchant banking or investment banking or brokerage services transaction.
b.	The compensation of all individuals employed as research analyst shall be reviewed, documented and approved annually by board of Partners/committee appointed by board of Partners of the research entity, which does not consist of representation from its merchant banking or investment banking or brokerage services divisions.	Complied	Plutus Advisors has not paid any compensation to Individuals employed as Research Analyst.



c.	The board of Partners/committee appointed by board of Partners of the research entity approving or reviewing the compensation of individual employed as research analyst shall not take into account such individuals contribution to the research entity's investment banking or merchant banking or brokerage services business.	Complied	Plutus Advisors has not paid any compensation to Individuals employed as Research Analyst.
----	--	----------	--

d.	An individual employed as research analyst by research entity shall not be subject to the supervision or control of any employee of the merchant banking or investment banking or brokerage services divisions of that research entity.	Complied	Individual Employed as Research analyst by Plutus Advisors has no Supervision or control of any employee of the merchant banking or investment banking or brokerage services divisions of the Plutus Advisors
----	---	----------	---

4.	Limitations on publication of research report, public appearance and conduct of business, etc.		
----	---	--	--

a.	Research analyst or research entity shall not publish or distribute research report or research analysis or make public appearance regarding a subject company for which he has acted as a manager or comanager at any time falling within a period of: (a) Forty days immediately following the day on which the securities are priced if the offering is an initial public offering; or (b) Ten days immediately following the day on which the securities are priced if the offering is a further public offering: Provided that research analyst or research entity may publish or distribute research report or research analysis or make public appearance within such forty day and ten day periods, subject to prior written approval of legal or compliance personnel as specified in the internal policies and procedures	Complied	Based on record provided by Plutus Advisors, it was observed that they have not acted as a Manager/comanager for any public offerings.
----	--	----------	--

b.	A research entity who has agreed to participate or is participating as an underwriter of an issuer's initial public offering shall not publish or distribute a research report or make public appearance regarding that issuer before expiry of twenty five days from the date of the offering	Complied	Based on record provided by Plutus Advisors, it was observed that they have not acted as a underwriter for any public offerings.
----	--	----------	--



c.	Research analyst or research entity who has acted as a manager or co-manager of public offering of securities of a company shall not publish or distribute a research report or make a public appearance concerning that company within fifteen days prior to date of entering into and fifteen days after the expiration/waiver/termination of a lockup agreement or any other agreement that the research analyst or research entity has entered into with a subject company that restricts or prohibits the sale of securities held by the subject company after the completion of public offering of securities: Provided that research analyst or research entity may publish or distribute research report or research analysis or make public appearance regarding that company within such fifteen days subject to prior written approval of legal or compliance personnel as specified in the internal policies and procedures.	Complied	Based on records provided by Plutus Advisors, it was observed that they have not acted as a Manager/comanager for any public offerings.
----	--	----------	---

d.	Research analyst or individuals employed as research analyst by research entity shall not participate in business activities designed to solicit investment banking or merchant banking or brokerage services business, such as sales pitches and deal road shows	Complied	Individuals Employed as Research analyst by Plutus Advisors have not participated in business activities designed to solicit investment banking or brokerage services business, such as sales pitches and deal road shows.
e.	Research analyst or research entity shall have adequate documentary basis, supported by research, for preparing a research report.	Complied	Based on a review of sample research reports, it was observed that they were prepared with adequate documentary basis and research and analysis.
f.	Research analyst or research entity shall not provide any promise or assurance of favourable review in its research report to a company or industry or sector or group of companies or business group as consideration to commence or influence a business relationship or for the receipt of compensation or other benefits.	Complied	On review of sample research reports, it was observed that they did not contain any promise or assurance of favorable review to a company or industry or sector or group of companies or business group.



g.	Research analyst or research entity shall not issue a research report that is not consistent with the views of the individuals employed as research analyst regarding a subject company.	Complied	Plutus Advisors Has Not issued a research report that is not consistent with the views of the individuals employed as research analyst regarding a subject company.
h.	Research entity shall ensure that the individuals employed as research analyst are separate from other employees who are performing sales trading, dealing, corporate finance advisory or any other activity that may affect the independence of its research report	Complied	Plutus Advisors has ensured that the individuals employed as research analyst are separate from other employees who are performing sales trading, dealing, corporate finance advisory or any other activity that may affect the independence of its research report
5.	Disclosure in research reports		

a.	A research analyst or research entity shall disclose all material information about itself including its business activity, disciplinary history, the terms and conditions on which it offers research report, details of associates and such other information as is necessary to take an investment decision	Complied	Based on review of list of disclosures from sample reports, we observed that Plutus Advisors has made disclosures in research reports with regard to details of associates & the terms and conditions on which research report are offered. Further, as per confirmation provided by Plutus Advisors , SEBI has not taken any disciplinary action on Research Analyst for its research activities.
----	--	----------	--



b.	Research analyst or research entity shall disclose the following in research report and in public appearance with regard to ownership and material conflicts of interest: (a) whether the research analyst or research entity or his associate or his relative has any financial interest in the subject company and the nature of such financial interest; (b) whether the research analyst or research entity or its associates or relatives, have actual/beneficial ownership of one per cent. or more securities of the subject company, at the end of the month immediately preceding the date of publication of the research report or date of the public appearance; (c) whether the research analyst or research entity or his associate or his relative, has any other material conflict of interest at the time of publication of the research report or at the time of public appearance;	Complied	Based on review of sample Research Reports and confirmation by Plutus Advisors, it was observed that they disclosed the information in their research reports and in public appearance with regard to ownership and material conflict of interest
c.	Research analyst or research entity shall disclose the following in research report with regard to receipt of compensation: (a) whether it or its associates have received any compensation from the subject company in the past twelve months; (b) whether it or its associates have managed or co-managed public offering of securities for the subject company in the past twelve months; (c) whether it or its associates have received any compensation for investment banking or merchant banking or brokerage services from the subject company in the past twelve months; (d) whether it or its associates have received any compensation for products or	Complied	Based on review of sample Research Reports and confirmation by Plutus Advisors, it was observed that they have disclosed the information with regard to receipt of compensation.

services other than investment banking or merchant banking or brokerage services from the subject company in the past twelve months; (e) whether it or its associates have received any compensation or other benefits from the subject company or third party in connection with the research report.		
--	--	--



D	Research analyst or research entity shall disclose the following in public appearance with regard to receipt of compensation: (a) whether it or its associates have received any compensation from the subject company in the past twelve months; (b) whether the subject company is or was a client during twelve months preceding the date of distribution of the research report and the types of services provided: Provided that research analyst or research entity shall not be required to make a disclosure as per sub-clauses (c), (d) and (e) of clause (ii) or sub-clauses (a) and (b) of clause (iii) to the extent such disclosure would reveal material non-public information regarding specific potential future investment banking or merchant banking or brokerage services transactions of the subject company	Complied	On the basis of confirmation given by Plutus Advisors, it was observed that they have disclosed the necessary information with regard to receipt of compensation.
E	whether the research analyst has served as an officer, director or employee of the subject company;	Complied	Plutus Advisors Has Given Proper Disclosure in their research Reports
F	whether the research analyst or research entity has been engaged in market making activity for the subject company;	Complied	Plutus Advisors Has Given Proper Disclosure in their research Reports
G	Research analyst or research entity shall provide all other disclosures in research report and public appearance as specified by the Board under any other regulations	Complied	Plutus Advisors Has Given Proper Disclosure in their research Reports
6.	Contents of research report		
a.	Research analyst or research entity shall take steps to ensure that facts in its research reports are based on reliable information and shall define the terms used in making recommendations, and these terms shall be consistently used.	Complied	Based on review of Research Reports it was observed that Plutus Advisors has prepared Research Reports on the basis of reliable information and defined the terms used in making recommendations, and those terms are consistently used.



b	Research analyst or research entity that employs a rating system must clearly define the meaning of each such rating including the time horizon and benchmarks on which a rating is based.	Complied	Based on review of Research Reports, it was observed that research reports define the rating system and the meaning of each such rating used including time horizon and benchmarks on which a rating is based under the "Research Recommendation Framework"
c.	If a research report contains either a rating or price target for subject company's securities and the research analyst or research entity has assigned a rating or price target to the securities for at least one year, such research report shall also provide the graph of daily closing price of such securities for the period assigned or for a three-year period, whichever is shorter.	Complied	Based on review of sample research reports, it was observed that Research Reports contained - A rating or a price target - Graph of a daily closing price was provided in the research report
7.	Recommendations in public media		
a.	Research analyst or research entity including its director or employee shall disclose the registration status and details of financial interest in the subject company, if he makes public appearance	Complied	On the basis on records given by Plutus Advisors has disclosed the registration status and details of financial interest in the subject company at the time of making public appearance.
b	If any person including a director or employee of an investment adviser or credit rating agency or asset management company or fund manager, makes public appearance or makes a recommendation or offers an opinion concerning securities or public offers through public media, all the provisions of regulations 16 and 17 shall apply mutatis mutandis to him and he shall disclose his name, registration status and details of financial interest in the subject company at the time of, - (i) making such recommendation or offering such opinion in personal capacity; (ii) responding to queries from audiences or journalists in personal capacity; (iii) communicating the research report or substance of the research report through the public media.	Complied	On the basis on records given by Plutus Advisors has disclosed the registration status and details of financial interest in the subject company at the time of making public appearance.
8.	Distribution of research reports		



a.	A research report shall not be made available selectively to internal trading personnel or a particular client or class of	Complied	On Review of system & sample emails for publish Research Reports , it was observed that there was no
----	--	----------	--

	clients in advance of other clients who are entitled to receive the research report.		selective distribution of Research Reports.
b.	Research analyst or research entity who distributes any third party research report shall review the third party research report for any untrue statement of material fact or any false or misleading information.	Complied	Based on verification of record it is observed that Plutus Advisors is not involved in distribution of third party Research Reports.
c.	Research analyst or research entity who distributes any third party research report shall disclose any material conflict of interest of such third party research provider or he shall provide a web address that directs a recipient to the relevant disclosures.	Complied	Based on verification of record it is observed that Plutus Advisors is not involved in distribution of third party Research Reports.
9.	General Responsibility		
a.	Research analyst or research entity shall maintain an arms-length relationship between its research activity and other activities.	Complied	Plutus Advisors has maintained an arms-length relationship between its research analyst activity and other activities.
b.	Research analyst or research entity shall abide by Code of Conduct as specified in Third Schedule.	Complied	Based on verification of records, it is observed that Plutus Advisors has abide by code of conduct as specified in Third Schedule.
c.	In case of change in control of the research analyst or research entity, prior approval from the Board shall be taken.	Not-Applicable	Based on verification of record it was observed that there is no change of control in the audit period.
d.	Research analyst or research entity shall furnish to the Board information and reports as may be specified by the Board from time to time.	Not-Applicable	No such request for information or reports was received from SEBI for the audit period.
e.	It shall be the responsibility of the research analyst or research entity to ensure that its employees or partners, as may be applicable, comply with the certification and qualification requirements under regulation 7 at all times.	Complied	Plutus Advisors has ensured that its employees comply with the Certification and qualification requirements under regulation 7 at all times during the audit Period
10.	Maintenance of records		



a.	Research analyst or research entity shall maintain the following records: i. Research report duly signed and dated. ii. Research recommendation provided. iii. Rationale for arriving at research recommendation. iv. Record of public appearance.	Complied	Plutus Advisors has maintained the desired records.
	All records shall be maintained either in physical or electronic form and preserved for a minimum period of five years: Provided that where records are required to be duly signed and are maintained in electronic form, such records shall be digitally signed.		
B.	Research analyst or research entity shall conduct annual audit in respect of compliance with these regulations from a member of Institute of Chartered Accountant of India Or Institute of Company Secretaries of India.	Complied	Plutus Advisors was Registered as Research Analyst in the month of Oct 2022. The Annual Audit for the F.Y 2023-2024 is carried out as a part of current review.
11.	Appointment of Compliance Officer		
A	Research Analyst or Research entity which is a body corporate or Limited Liability Partnership firm shall appoint a compliance officer who shall be responsible for monitoring the compliance of the provisions of the Act, these regulations and circulars issued by the Board.	Complied	Plutus Advisors has appointed compliance officer to monitor the compliance of the provision of Research analyst Regulation and Circulars issued by the Board.

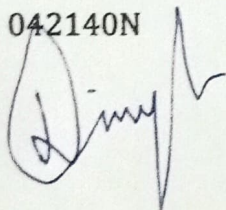


12	Publishing Investor Charter and Disclosure of Investor Complaints		
	All Registered Research analyst are required to publish investor charter on their websites and mobile application. If registered research analyst does not have website/mobile applications, then as a one- time measure, send investor charter to the investors on their registered e-mail address. All registered research analyst 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 Research analyst does not have websites/,mobile applications, then send status of investor complaints to the investors on their registered email on a monthly basis.	Complied	Plutus Advisors has updated investor charter and Complaints Data on his website as per SEBI Circular.

For Divya Chhabra & Associates

Chartered Accountants

F.R No. 042140N




Divya Chhabra
M.No. 525630

Place: Delhi

Date : 16April 2025

UDIN No.: 25525630BMNXVL5278