

To,
Mr. Biswarup Sinha Ray
17/2d K. P. Chatterjee Lane,
Behala,
Kolkata, West Bengal, 700034

Sub: Submission of Annual Audit Report of Investment Adviser activity

Dear Sir,

We have conducted the annual audit of Mr. Biswarup Sinha Ray (herein referred as "RIA"), SEBI Registration no- **INA300008614, for Investment Adviser business as required by SEBI Regulations.**

We are enclosing herewith copy of audit report for the period April, 2020 to March, 2021.

Kindly acknowledge the receipt of the same.

For Megha Kyal & Associates,

CS Megha Kyal
Proprietor
CP No: 22896

MR. BISWARUP SINHA RAY

INVESTMENT ADVISER BEARING SEBI REGISTRATION No.: INA300008614

SEBI ANNUAL AUDIT (FINANCIAL YEAR 2020-21)

COMPLIANCE AUDIT REPORT

PREPARED BY
CS Megha Kyal

This document is 'Confidential' and is intended strictly for use by Mr. Biswarup Sinha Ray. Its unauthorized disclosure could seriously and adversely impact Mr. Biswarup Sinha Ray, its stakeholders, its business partners, and/or its customers leading to legal and financial repercussions and adverse public opinion.

Table of Contents

Back ground.....	3
Scope of our assignment.....	4
Annual Audit Report.....	5

BACK GROUND

MR. BISWARUP SINHA RAY IS SEBI REGISTERED INVESTMENT ADVISOR.

AS PART OF THE ONGOING COMPLIANCE REQUIREMENTS OF SECURITIES EXCHANGE BOARD OF INDIA INVESTMENT ADVISERS REGULATIONS, 2013, INVESTMENT ADVISERS 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.

***CS MEGHA KYAL** HAS BEEN ASSIGNED THE INTERNAL AUDIT OF INTERNAL CONTROL SYSTEMS OF MR. BISWARUP SINHA RAY 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 ANNUAL AUDIT IS APRIL 2020 TO MARCH 2021.

SCOPE OF OUR ASSIGNMENT

THE SCOPE OF AUDIT FOR THE AUDIT PERIOD APRIL 2020 TO MARCH 2021 INCLUDED THE FOLLOWING:

Sr. No.	Areas/ Scope of work covered
1.	Review of Internal Policies & procedures
2.	Website review
3.	Certificate of Registration
4.	KYC procedure and client agreement
5.	Qualification & certification requirement and Capital Adequacy
6.	Personal Trading by Investor Advisor
7.	Client Communication and Disclosures to clients
8.	Risk Profile & Assessment and Suitability assessment
9.	Rationale behind investment advice
10.	Maintenance of records
11.	Grievance redressal process
12.	Segregation of Distribution and execution services
13.	SEBI Communication

SUGGESTIONS AND OBSERVATIONS

Based on my online verification of the necessary documents, records, internal policies, procedures and other records maintained by the Investment Adviser and also the information and explanations provided by the Investment Adviser during the conduct of audit, in my opinion and to the best of information received by me, the Investment Adviser has, during the audit period complied with the statutory provisions of the IA regulations and circulars issued by SEBI, as listed hereunder. The Investment Adviser has compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter. The suggestions to improve the process for better compliance of the regulations and my observations are as mentioned below:

- The Investment Adviser is registered as an individual under IA regulations having registration no.: INA300008614. The registration was granted on October 26, 2017.
- The Investment Adviser is NISM certified and hence complies with qualification and certification requirements as mentioned under Regulation 7 of the IA Regulations.
- As per the information/records provided by the Investment Adviser, it has complied with capital adequacy requirements as per Regulation 8 of IA Regulations.
- The Investment Adviser has kept on records the KYC documents of his clients.
- The Investment Adviser has ensured compliance with the Code of Conduct as prescribed under Regulation 15(9) and the third schedule of IA Regulations.
- There is no change in control of the Investment Adviser during the audit period.
- The Investment Adviser has obtained from the client all such information as is necessary and mentioned in the Regulations for giving investment advice.
- The Investment Adviser has a process for assessing the risk the client is willing and able to take for investments in financial products.
- The Investment Adviser uses a questionnaire for assessing risk profiling of the client and has ensured compliance of Regulation 16 (d) of IA regulations.
- The Investment Adviser has ensured that investment advice provided is appropriate to the risk profile of the client.
- The Investment Adviser is not connected to or associated with any issuer of products/ securities and hence there was no actual or potential conflict of interest needs to be disclosed.
- The Investment Adviser has ensured that adequate disclosure are made to the client.

ANNUAL AUDIT REPORT

April 2020 to March 2021

- The Investment Adviser has maintained all the necessary records mandated as per regulation in physical/electronic form.
- The Investment Adviser has accepted fees by way of direct credit into his bank account and not accepted cash.
- The Investment Adviser has adequate procedure for expeditious redressal of grievances.

For Megha Kyal & Associates,

CS Megha Kyal

Proprietor

CP No: 22896

UDIN: A055430C000955087