



Ladderup

Engineering Growth

To,
Investment Management Department,
DOF-1, SEBI Bhavan, Plot No: C4-A, G Block,
Bandra Kurla Complex, Bandra East, Mumbai 400 051.

Ref: Investment Advisor- Reg No. INA000015835

Subject: Action Taken Report and Annual Audit Report of the Investment Adviser for the Financial Year 2021-22

Dear Sir/ Ma'am,

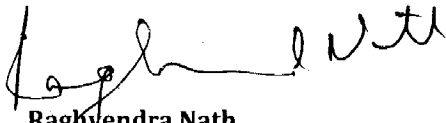
With respect to the subject captioned above, please find enclosed herewith Annual Compliance Audit Report issued by M/s. Megha Kyal & Associates, Practicing Company Secretaries (Annexure -1) and Annual Certificate confirming compliances with client level segregation issued by M/s. Shah Gupta and Co, Statutory Auditor of the Company (Annexure-2).

Further the observation given by the Auditor and Action Taken Report are as follows-

Regulation/Circular	Particulars	Auditor Observation	Management Comments/Action Taken Report
SEBI/HO/IMD/DF1/CIR/P/2020/182 (Dated September 23, 2020) Clause 2(ix)	Display of details on website and in other communication channels. 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.	It is observed that RIA has not mentioned requisite details on the client communication.	Observation is noted. Accordingly, requisite details are included in all the communications to clients.

Kindly take the above information in your records.

For Ladderup Wealth Management Pvt Ltd


Raghendra Nath
Managing Director

Ladderup Wealth Management Private Limited

Regd. Office : 102-A, 1st Floor,
Hallmark Business Plaza,
Sant Dyneshwar Marg,
Gurunanak Hospital Road,
Bandra (East), Mumbai - 400 051.

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Fax : +91 22 4246 6364
E-Mail : info@ladderup.com
Website : www.ladderupwealth.com
CIN : U74140MH2008PTC177491



Megha Kyal & Associates

Your Compliance Partner

To,
M/s Ladderup Wealth Management Private Limited
A 102, Hallmark Business Plaza,
Sant Dyaneshwarmar Marg, Opposite Guru Nanak Hospital,
Bandra East, Mumbai, Maharashtra, 400051

Sub: Submission of Annual Audit Report of Investment Adviser activity

Dear Sir,

We have conducted the annual audit of M/s Ladderup Wealth Management Private Limited (herein referred as "RIA"), SEBI Registration no- **INA000015835**, for **Investment Adviser business as required by SEBI Regulations.**

We are enclosing herewith copy of audit report for the period April, 2021 to March, 2022.

Kindly acknowledge the receipt of the same.

For Megha Kyal & Associates,

MEGH Digitally signed
by MEGHA KYAL
Date: 2022.09.21
18:04:36 +05'30'
A KYAL

CS Megha Kyal
Proprietor
CP No: 22896

127, Hilton Center, Near Belapur Station, Belapur, Navi Mumbai - 400614

Email: ✉ mail@csmeghakyal.in

☎ : +91 98197 28359

M/S LADDERUP WEALTH MANAGEMENT PRIVATE LIMITED

INVESTMENT ADVISER BEARING SEBI REGISTRATION No.: INA200010357

SEBI ANNUAL AUDIT (FINANCIAL YEAR 2021-22)

COMPLIANCE AUDIT REPORT

PREPARED BY
CS Megha Kyal

This document is 'Confidential' and is intended strictly for use by M/s Ladderup Wealth Management Private Limited. Its unauthorized disclosure could seriously and adversely impact M/s Ladderup Wealth Management Private Limited, its stakeholders, its business partners, and/or its customers leading to legal and financial repercussions and adverse public opinion.

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SCOPE OF OUR ASSIGNMENT

THE SCOPE OF AUDIT FOR THE AUDIT PERIOD APRIL 2021 TO MARCH 2022 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

Annual Compliance Audit Report for F. Y 2021-2022

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	<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.	<input checked="" type="checkbox"/> Complied <input type="checkbox"/> Not- Complied <input type="checkbox"/> Not Applicable	NA	NA
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.	<input checked="" type="checkbox"/> Complied <input type="checkbox"/> Not- Complied <input type="checkbox"/> Not Applicable	NA	NA
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)	<input checked="" type="checkbox"/> Complied <input type="checkbox"/> Not- Complied <input type="checkbox"/> Not Applicable	NA	NA
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 specifies under	<input checked="" type="checkbox"/> Complied <input type="checkbox"/> Not- Complied <input type="checkbox"/> Not Applicable	NA	NA

Annual Compliance Audit Report for F. Y 2021-2022

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 7(2) of the amended IA regulations at all times.			
Regulation 8	Net worth (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.	<input checked="" type="checkbox"/> Complied <input type="checkbox"/> Not- Complied <input type="checkbox"/> Not Applicable	NA	NA
Regulation 13	Conditions of certificate (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.	<input checked="" type="checkbox"/> Complied <input type="checkbox"/> Not- Complied <input type="checkbox"/> Not Applicable	NA	NA
SEBI/HO/IMD/DF1/CIR/P/2020/182 (Dated September 23, 2020) Clause 2(v)	Registration as Non-Individual Investment Advisor. 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.	<input checked="" type="checkbox"/> Complied <input type="checkbox"/> Not- Complied <input type="checkbox"/> Not Applicable	NA	NA

Annual Compliance Audit Report for F. Y 2021-2022

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 15	General Responsibility The regulation 15 imposes certain responsibilities on the Investment Adviser for the transactions it undertakes on behalf of its clients.	<input checked="" type="checkbox"/> Complied <input type="checkbox"/> Not- Complied <input type="checkbox"/> Not Applicable	NA	NA
Regulation 15 A	Fees Investment Adviser shall be entitled to charge fees for providing investment advice from a client in the manner as specified by the Board.	<input checked="" type="checkbox"/> Complied <input type="checkbox"/> Not- Complied <input type="checkbox"/> Not Applicable	NA	NA
SEBI/HO/IMD/DF1/CIR/P/2020/182 (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	NA	NA
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	NA	NA
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	NA	NA

Annual Compliance Audit Report for F. Y 2021-2022

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)
SEBI/HO/IMD/DF1/CIR/P/2 020/182 (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.	<input checked="" type="checkbox"/> Complied <input type="checkbox"/> Not- Complied <input type="checkbox"/> Not Applicable	NA	NA
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	NA	NA
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	NA	NA
SEBI/HO/IMD/DF1/CIR/P/2 020/182 (Dated September 23,	<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	<input checked="" type="checkbox"/> Complied <input type="checkbox"/> Not- Complied <input type="checkbox"/> Not Applicable	NA	NA

Annual Compliance Audit Report for F. Y 2021-2022

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)
2020) Clause 2(vi)	has taken place, in the form as specified under this clause.			
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.	<input checked="" type="checkbox"/> Complied <input type="checkbox"/> Not- Complied <input type="checkbox"/> Not Applicable	NA	NA
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.	<input checked="" type="checkbox"/> Complied <input type="checkbox"/> Not- Complied <input type="checkbox"/> Not Applicable	NA	NA
Regulation 21	<u>Redressal of client grievances</u> Investment adviser shall redress client grievances promptly through an adequate procedure	<input checked="" type="checkbox"/> Complied <input type="checkbox"/> Not- Complied <input type="checkbox"/> Not Applicable	NA	NA
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.	<input checked="" type="checkbox"/> Complied <input type="checkbox"/> Not- Complied <input type="checkbox"/> Not Applicable	NA	NA

Annual Compliance Audit Report for F. Y 2021-2022

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)
	<p>(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.</p>			
<p>SEBI/HO/IMD/DF1/CIR/P/2020/182 (Dated September 23, 2020) Clause 2(i)</p>	<p>Client Level Segregation of Advisory and Distribution Activities 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><input checked="" type="checkbox"/> Complied <input type="checkbox"/> Not- Complied <input type="checkbox"/> Not Applicable</p>	<p>NA</p>	<p>NA</p>
<p>Regulation 22A</p>	<p>Implementation of advice or execution (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</p>	<p><input checked="" type="checkbox"/> Complied <input type="checkbox"/> Not- Complied <input type="checkbox"/> Not Applicable</p>	<p>NA</p>	<p>NA</p>

Annual Compliance Audit Report for F. Y 2021-2022

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)
	Implementation services offered by the investment adviser.			
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	<input type="checkbox"/> Complied <input checked="" type="checkbox"/> Not-Complied <input type="checkbox"/> Not Applicable	It is observed that RIA has not mentioned requisite details on the client communication	Observation is noted. Accordingly, requisite details are included in all the communications to clients
SEBI/HO/MIRS D2/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.	<input type="checkbox"/> Complied <input type="checkbox"/> Not-Complied <input checked="" type="checkbox"/> Not Applicable	IA is not using any Software as a Service (SaaS) based solutions	NA
SEBI/HO/IMD/I MD-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	<input checked="" type="checkbox"/> Complied <input type="checkbox"/> Not-Complied <input type="checkbox"/> Not Applicable	NA	NA

Confidential

Annual Audit of Investment Adviser
April 2021 to March 2022

ANNUAL AUDIT REPORT

Annual Compliance Audit Report for F. Y 2021-2022

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)
	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.			

For Megha Kyal & Associates,

MEGH Digitally signed
by MEGHA KYAL
Date: 2022.09.21
18:05:14 +05'30'
A KYAL

CS Megha Kyal
Proprietor
CP No: 22896
UDIN: A055430D001015103

Shah Gupta & Co.
Chartered Accountants

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2nd Floor, Dr. D N Road, Fort,
Mumbai – 400 001

Tel: + 91(22) 2262 3000
+ 91(22) 4085 1000
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Web: www.shahgupta.com

INDEPENDENT AUDITOR'S CERTIFICATE

Sub: Annual certificate confirming compliance with the client level segregation requirements as specified in Regulation 22 of the IA Regulations (the 'statement').

We, M/s. Shah Gupta & Co., Chartered Accountants are the Statutory Auditors of **Ladderup Wealth Management Private Limited** (herein referred as "RIA") [**SEBI Registration No.: INA000015835**] having its registered office at 102-A, Hall Mark Business Plaza, Sant Dyaneshwar Marg, Opposite Guru Nanak Hospital, Bandra (East), Mumbai-400051.

We have been informed by the RIA that:

1. RIA is required to submit annual certificate confirming compliance with the client level segregation requirements as specified in Regulation 22 of the IA Regulations.
2. **SEBI, vide circular no. SEBI/HO/IMD/DF1/CIR/P/2020/182 dated September 23, 2020**, issued guidelines for Investment Advisers. As per clause 3 of the said circular: Client level segregation of advisory and distribution activities, agreement and fees to be charged are aligned together. IA shall ensure compliance with measures stated above at clause 2(i), 2(ii) and 2(iii) latest by April 01, 2021.

Management's responsibility and opinion for preparation of the statement

The Preparation of the statement is the responsibility of the management of the RIA including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

The management is also responsible for ensuring that the RIA complies with the requirements of the SEBI regulation and norms and for providing all relevant information to SEBI.

Auditor's responsibility:

Pursuant to the requirements, it is our responsibility for the purpose of this certificate, to obtain reasonable assurance and report that RIA is involved in distribution activities during the financial year April 01, 2021 to March 31, 2022 and investment adviser have maintained client level segregation for its advisory and distribution activities.

We conducted our examination of the statement in accordance with the Guidance Note on Reports or Certificates for Special Purpose (Revised 2016) issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Conclusion:

Based on such checks as considered appropriate by us and according to the information and explanations given to us by the Management of the RIA, we do hereby certify that, the RIA is involved in distribution activities during the financial year April 01, 2021 to March 31, 2022 and investment adviser have maintained client level segregation for its advisory and distribution activities.

Shah Gupta & Co.
Chartered Accountants

Restriction of Use:

This certificate has been issued for submission to **SEBI** and should not be used by any other person or for any other purpose. We neither accept nor assume any duty or liability for any other purpose or to any other party to whom our certificate is shown or into whose hand it may come without our prior consent in writing. We, however, have no obligation to update this certificate for events, trends or transactions relating to the RIA in general and occurring subsequent to the date of this certificate.

For **SHAH GUPTA & Co.**
Chartered Accountants
Firm Registration No.: 109574W



Vedula Prabhakar Sharma
Partner
Membership No.: 123088
UDIN: 22123088ASJPXK5314

Place: Mumbai
Date: September 15, 2022