



## Sebi lowers fees for investment advisors

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MUMBAI: In a notification issued on Wednesday, the Securities and Exchange Board of India (Sebi) reduced fees payable by individual and corporate investment advisors for grant of a license and renewal of a certificate to practice. The regulator also inserted a provision for taking membership of a self regulatory association into account, while granting a certificate.

The move comes in the wake of a series of Sebi rules tightening the regime for Sebi Registered Investment Advisors (RIAs) in 2020, causing concerns about the viability of the profession. As per Sebi data, there are less than 1,500 Sebi RIAs in India compared to over 1,00,000 mutual fund distributors.

Under the Sebi Investment Advisors Regulations, 2013, a fee of ₹ 5,000 was payable by individuals and firms and ₹ 25,000 by bodies corporate (such as Limited Liability Partnerships or LLPs) when applying for an investment advisor certificate. This has been brought down to ₹ 2,000 and ₹ 10,000 respectively.

At the time of grant of certificate, a fee of ₹ 10,000 was payable by individuals and firms and ₹ 5 lakh by bodies corporate. This has been brought down to ₹ 3,000 and ₹ 15,000 respectively.

In case of renewal of certificate the fees have also been reduced from ₹ 10,000 and ₹ 5 lakh to ₹ 1,000 and ₹ 5,000 respectively for the two categories of RIAs.

"The fees are a recurring item for any entity in this business and given the impact of Covid-19, any easing of costs is welcome. It'll also persuade those on the margin to join the profession," said Vishal Dhawan, founder, Plan Ahead Wealth Advisors, a Sebi RIA based in Mumbai.