



INVESTMENT ADVISER

BASIC REQUIREMENTS FOR MAKING AN APPLICATION TO SEBI



Are you looking to apply to SEBI for an Investment Adviser license?

Here are the basic checks you need to do before you make the application.

#1 - Who can apply for Investment Adviser's license?

- Individual
- Non-Individual i.e. Partnership Firm, Limited Liability Partnership (LLP), Company

#2 – Qualification requirements- The Individual Investment Adviser / the Principal Officer in case of a non-individual entity and the persons associated with investment advice (PAIA) need to fulfil the qualification requirements as follows:

- A graduate degree or any equivalent educational qualification from a university or an institution recognized by the Central Government or any State Government or a foreign university or institution or association

OR

- a [Post Graduate Program in Securities Market \(Investment Adviser\)](#) offered by NISM or a [Post Graduate Program in Financial Planning from NISM](#)

OR

- CFA Charter from the CFA Institute.

#3 - Certification Requirement - Individual Investment Adviser and the Principal Officer (in case of non-individual RA) and PAIAs need to complete NISM Certification of Investment Advisers- [Series XA \(Level 1\)](#) and [XB \(Level 2\)](#)

#4 – Personnel Details

- Principal officer has to be a director / partner of the non-individual entity if the only business activity of the entity is providing investment advisory services or providing investment advisory services along with research analyst services.
- In other cases, the principal officer can be a person at the management level who is a business head or unit head, responsible for the overall function of the investment advisory business.
- Compliance officer details to be given at the time of application.



#5 – Deposit: An investment adviser has to maintain a deposit as specified below-

No of clients	Deposit (INR)
Up to 150 clients	1 lakh
150 to 300 clients	2 lakhs
301 to 1000 clients	5 lakhs
1001 clients and above	10 lakhs

The deposit has to be maintained with a scheduled bank marked as lien in favour of IAASB i.e. BSE Ltd. This requirement is applicable once the license is received.

#6 - Clause for business activity: You need to ensure that there is a clause in the Memorandum of Association of your company or the partnership agreement of the partnership firm / LLP specifying that the entity intends to do business as an investment adviser.

#7 - Fees:

SEBI fees are as follows:

	Application Fee (INR)	Registration Fee (INR)	Renewal Fee (INR)
Individuals	2,000	3,000	1,000
Partnership Firms	2,000	3,000	1,000
Companies / LLPs	10,000	15,000	5,000

BSE administration fee is as follows:

	Administration Fee (INR)	Renewal Fee (INR)
Individuals	10,000	9,000
Partnership Firms	10,000	9,000
Companies / LLPs	5,00,000	4,95,000

Still have queries and want to understand how regulations are applicable in your specific context?

[Book a phone consultation now!](#)