



PORTFOLIO MANAGERS

**BASIC REQUIREMENTS FOR
MAKING AN APPLICATION TO SEBI
FOR REGISTRATION**

(Effective from 01.04.2027)



Are you looking to apply to SEBI for a Portfolio Manager's license?

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

#1 – Formation of a company / LLP: SEBI PMS license is only given to a body corporate i.e. an LLP or a company. An individual or a partnership firm cannot get the PMS license.

#2 – Clause in the MoA for business activity: You need to ensure that you have a clause in the Memorandum of Association (MoA) of your company or the partnership agreement of LLP specifying that the entity intends to engage in the business of a portfolio manager.

#3 – Personnel for PMS license

	PMS	PRIM (MF-PMS)
1.	Principal Officer	
Qualification	Graduation from a university or an institution recognized by the Central Government or any State Government or a recognized foreign university; or CFA Charter from CFA Institute, USA or CA from the ICAI, CS from the ICSI or CMA from the ICMAI	Graduation from a university or an institution recognized by the Central Government or any State Government or a recognized foreign university; or CFA Charter from CFA Institute, USA or CA from the ICAI, CS from the ICSI or CMA from the ICMAI
Experience	• At least five years in activities related to the securities market including with a portfolio manager, stock broker, investment advisor, research analyst or as a fund manager • Out of the above, at least 2 years of relevant experience should be in portfolio management or investment	• At least two years in securities market including with a portfolio manager, stock broker, investment advisor, research analyst, distributor of mutual fund or as a fund manager.



	advisory services or in the areas related to fund management);	
Certification	<u>NISM – Series XXI -B – Portfolio Managers Certification</u>	
2.	Additional Employee	
Qualification	Graduation from a university or an institution recognized by the Central Government or any State Government or a foreign university	The additional employee is not mandatory for PRIM license
Experience	At least two years in related activities in the securities market including with a portfolio manager, stock broker, investment advisor, research analyst or as a fund manager	
Certification	No certification required	
3.	Compliance Officer	
Qualification	The Compliance Officer (CO) needs to be a separate person. There is no qualification or experience requirement for the CO.	
Certification	<u>NISM – Series III C– Securities Intermediaries Compliance (Fund) Certification Examination</u>	

#4 – Net worth:

PMS	PRIM (MF-PMS)
At least INR 5 Crores	At least INR 2 Crores

Note:

1. “Net worth” means the aggregate value of paid-up equity capital, securities premium account and free reserves (excluding reserves created out of revaluation) reduced by the aggregate value of accumulated losses, deferred expenditure and miscellaneous expenditure not written off and any loans and advances given by Portfolio Manager including to their related parties or associates.



2. The net worth should be over and above the net worth required for any other SEBI license.
3. At least 10% of minimum net worth requirement is required to be deployed in liquid assets which are unencumbered and shall include cash, bank deposits with Scheduled commercial Banks, money market instruments, Government securities, treasury bills, Repo on Government securities, units of liquid and overnight mutual fund schemes and any other instruments as specified by SEBI.

#5 – Outsourcing activities: Before making the application, make sure you identify and have an in-principle agreement with the broker(s), the custodian, fund accountant and the bankers.

#6 - SEBI Fees: The following are the details:

Sr. No.	Particulars	Fees (excluding GST)
1	Application fee	INR 1,00,000
2	Registration fee	INR 10,00,000
3	Renewal fee (every 3 years)	INR 5,00,000

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

[Book a phone consultation now!](#)