AUGUST 2024

ARIAN PERSPECTIVE

Monthly Newsletter by

ARIA
Association of
Registered Investment Advisers

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www.aria.org.in

CHAIRMAN'S NOTE

LOVAII NAVLAKHI

Dear Members:

It is absolutely heartening to see seven candidates throw in their hat for the one Board position that is open – it casts a big responsibility on you to cast your vote thoughtfully at the AGM on September 26. Of course, we have to acknowledge the sterling efforts of the retiring Board member, Suresh Sadagopan even before the formalization of ARIA in early 2019. Please do carefully read the profiles of the candidates before making your choice. Some of these candidates are already volunteers on the various sub-committees that the Board have created to focus on matters important to you members; we are hopeful that the others will join them and continue to lift the profession.

Your partner engagement team has been able to identify and close the 10 partners who will support ARIA and its activities till March 2025. There are a few new additions; but is heartwarming to see the continued support of some of those who have repetitively supported ARIA – and to them we are eternally grateful.

The events and sessions, both online and in person in certain cities are curated specifically for you – do make it a point to attend those, and share your feedback. You could also encourage other RIA's to join ARIA and where possible, your team members to join ARIA as associate members.

We look forward to deeper involvement and of course, frank feedback.

Warm regards,
Lovaii Navlakhi

IDEA BOX

ARUN K SAHOO
Managing Partner & Principal Officer
MintBox Advisory LLP

Do it myself or hire an Investment Adviser (RIA)?

In today's fast-paced, ever-changing financial world, more investors are tempted to take the "Do-It-Yourself" route, which is not wrong. With information and technology at their fingertips, many believe they can manage their financial future independently. But is it really that simple? The decision is shaped by whether you see investing as a journey or just a series of transactions. Additionally, is it simply about selecting past performers, or does it require more in-depth analysis and understanding? Having spent years observing and interacting with investors—from wholesale and retail broking to PMS to wealth management—I've seen both the wins and the struggles of those who do it alone and those who seek expert guidance.

The idea of being fully in control is tempting, but it often overlooks the critical details that can determine long-term success. Just as top athletes rely on coaches for more than just game tactics, effective wealth management and financial planning require a holistic approach. Personal finance is not just about selecting financial products; it involves managing behaviour, balancing emotions, and aligning every aspect of your financial life with your goals. The decision of whether to do your financial planning and wealth management independently or engage a registered investment adviser is contingent on several factors. These encompass your level of financial expertise, the time you can allocate to manage your financial matters, your comfort in dealing with financial intricacies, and the complexity of your financial situation.

Furthermore, a comprehensive grasp of various cycles such as the economy, investment, and market is vital. From a wealth management perspective, it is paramount to evaluate your status as an individual or family and ascertain the specific phase you find yourself in – be it wealth creation, preservation or transfer. Furthermore, the behaviour holds a significant role in personal finance and serves as a primary contributor to the disparity between investment returns and investor returns. So, how to manage your behaviour and biases by yourself is a challenge.

(contd.)

IDEA BOX

ARUN K SAHOO

Managing Partner & Principal Officer of MintBox Advisory LLP

Here are a few key perspectives that assist you in making an informed decision:

Financial Knowledge & Time Commitment: Managing personal investments requires a good understanding of financial concepts and significant time for research and monitoring. If your schedule is tight or you'd rather not handle these tasks, an advisor can take over, freeing up your time for other priorities.

Behavioral / Emotional Considerations: Successful investing demands discipline and rational decision-making, especially during market or emotional swings. While concepts may be simple, like exercising daily, maintaining consistent discipline is challenging—just as it is in investing. If you can resist emotional reactions and stick to a well planned strategy, you'll stay on track. Remember, a single misstep can derail your entire financial journey.

Education and Handholding: If you have a desire to learn about financial matters and actively participate in decision-making, you can work collaboratively with an adviser who provides education and guidance along with handholding.

Long-Term Goals: If you have many financial goals with different timelines and desire to create a comprehensive financial plan, which is a complex exercise and requires diligent implementation, an adviser can help you develop and maintain a process or blueprint.

Monitoring and Review: Reviewing & rebalancing which means addition, deletion and change in weightage, needs a lot of skill, experience and conviction.

Comfort level: Assess your confidence in managing financial complexities. If you're unsure about making investment decisions, remember that the cost of mistakes can be high and often becomes clear only after time has been spent.

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IDEA BOX

ARUN K SAHOO

Managing Partner & Principal Officer of MintBox Advisory LLP

Access to Investment Opportunities: Personal financial landscapes are in a constant state of evolution, influenced by various factors such as market dynamics, individual perspectives and economic conditions. Registered Investment Advisors often offer access to investment opportunities that may not be easily accessible to individual investors.

Cost and Fees: RIAs typically charge fees for their services. Compare these fees with the potential benefits they can provide in terms of investment performance, financial planning, peace of mind and overall value proposition.

Risk Management: A financial advisor not only provides access to a wide array of investment opportunities but also plays a crucial role in effective risk management, helping to mitigate potential pitfalls that individual investors may overlook or be less equipped to address.

In conclusion, the decision between self-managing your finances and engaging the services of an RIA hinges on a deliberate evaluation of these factors. Your choice should harmonize with your financial objectives, risk threshold and the degree of assistance required for navigating the intricate realms of personal finance and wealth management.

On the contrary, if you possess a strong grasp of investment principles, desire more hands-on control and have a relatively uncomplicated financial scenario, self-management can be a viable route. Ultimately, the key lies in assessing your financial aspirations, risk tolerance, available time and comfort level with investment concepts. Happy Investing!

Thanks & Regards
Arun K Sahoo
Managing Partner & Principal Officer MintBox Advisory LLP

NOTE FROM ADVOCACY COMMITTEE

1. ARIA responded to the consultation paper on IA/RA regulations on multiple aspects to further ease business for IAs. Whilst many suggestions of ARIA over the years to the regulator were accepted like diluting post-graduate requirements, net worth criteria, and increasing the threshold for individual IAs to corporatize, certain challenges remain including comprehensive advice, categorization of trading call providers amongst others, and ARIA continues to engage with SEBI on these matters

2. ARIA has started conversations with NISM on both operational matters that IAs face with respect to XA XB exams as well as the content and examination patterns. The feedback from a survey done with ARIA members on operational matters has already been shared with NISM. Continued interaction is expected over the next few months on the content and examination elements.

3. ARIA commissioned an updated survey on complaints received on SCORES against IAs, as well as did an analysis on enforcement orders with the help of Sanjay Kadel and associates, which was released to the public and shared with the regulator.

4. Technical Committee consisting of SEBI, NSE, and members from the IA/RA/Algo industry met in August for the final leg of approvals for the Performance Validation Agency . There is consensus on the processes and methodology to be adopted to verify prospective performance claims once PVA commences, however verification of past performance on past data validation before PVA commences is still under discussion to ensure the accuracy of claims. We are however doing our level best by offering various options to both Nse and Sebi to consider.

NOTE FROM MEMBERS AND PARTNERS ENGAGEMENT

August Recap: Highlights from ARIA Events

Bangalore Chapter Meet: "Investment Opportunities in Mutual Funds through Gift City

The Bangalore Chapter recently hosted an insightful session on "Investment Opportunities in Mutual Funds through Gift City." Manas Kumar, Head of Products and Business Development – International Business at HDFC AMC, delivered an engaging talk on the opportunities Gift City presents for investors. Chapter Lead Monica Malkani, a SEBI Registered Investment Advisor, facilitated discussions on industry trends in Bangalore, making the session highly relevant for local professionals. The event concluded with a networking session over refreshments, allowing ARIA members to connect and exchange ideas.

Exclusive Panel Discussion: "AIF - Unique Investment Opportunities"

ARIA members had the chance to delve into the world of Alternative Investment Funds (AIF) through a live panel discussion featuring industry experts. The panel, moderated by Tarun Birani, Founder & MD of TBNG Capital Advisors, included Ashwin Patni from Axis AMC, Bibek Sengupta of WhiteOak Capital Management, and Rohit Gulati, CEO of UTI Alternatives. The discussion covered the latest trends, strategies, and opportunities in alternative investments, offering valuable insights for portfolio diversification and risk management.

Delhi NCR Chapter Session: "India’s Economic Outlook: A Foreign Investor’s Perspective & Retirement Investment Strategies"

The Delhi NCR Chapter recently hosted a hybrid session titled "India’s Economic Outlook: A Foreign Investor’s Perspective & Retirement Investment Strategies." The event featured Rohit Shimpi, CFA, Fund Manager at SBI Mutual Fund, who provided valuable insights into India’s economic performance, investment opportunities, and retirement planning strategies. The session, hosted by Abhishek Mittal, CFA, and Co-Founder of Prospurts, was highly interactive and offered participants essential knowledge to optimize their market returns.

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NOTE FROM MEMBERS AND PARTNERS ENGAGEMENT

We extend our heartfelt gratitude to SBI Mutual Fund for organizing this enriching event.

Compliance Connect Session- Series 4: SEBI Master Circular on Market Surveillance and Advertisement Code - Mandatory Training

The Compliance Connect series continued with a session focused on SEBI Master Circular on Market Surveillance and Advertisement Code - Mandatory Training for Investment Advisers. Dhara Shah and Rishita Shah, Company Secretaries from MC & Associates and BFSI Edge respectively, provided a comprehensive overview of the latest regulations. The session was moderated by Shailendra Kumar, Co-Founder of FinAtoZ - Rightfocus Investments Pvt Ltd. ARIA members gained valuable insights to ensure their practices remain compliant and effective in the ever-evolving regulatory landscape.

Pune Chapter Meet

The Pune members met this month to share valuable insights, discuss regulatory updates, and reinforce best practices in compliance. A big thank you to all the participants for their active engagement and contributions, which made this meet both informative and productive. We look forward to more such collaborative efforts in the future.

SEBI Townhall Discussion

We had the opportunity to engage in an interactive discussion with SEBI on the Consultation Paper regarding the Review of the Regulatory Framework for Investment Advisers. SEBI was highly responsive, addressing our queries and concerns during the townhall.

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NOTE FROM MEMBERS AND PARTNERS ENGAGEMENT

As we wrap up another month filled with insightful discussions and knowledge-sharing events, we want to express our appreciation for the active participation and enthusiasm of our members. Your continued engagement is what makes these events successful and drives the growth of our community. We look forward to bringing you more opportunities to connect, learn, and grow in the coming months. Together, let's continue to build a stronger and more informed network of professionals.

SESSIONS CONDUCTED IN THE MONTH OF AUGUST 2024

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IN-PERSON CHAPTER MEET IN PUNE

DATE: 6TH AUGUST 2024

IN-PERSON CHAPTER MEET IN DELHI

DATE: 23RD AUGUST 2024

NEW MEMBERS: AUGUST 2024

CORPORATE - ANNUAL MEMBERSHIP

Vedant Pathella
ORIM Advisors Pvt. Ltd.

Shailesh Saraf
Dynamic Equities Pvt. Ltd.

Diksha Vaish
Multi Ark Wealth Pvt. Ltd.

Sahil Nandu
Sapient Wealth Advisors & Brokers Pvt. Ltd.

ARIA MEMBERSHIP DETAILS

MEMBERS AS OF 31ST AUGUST 2024

	Membership Category	Members as on July 31, 2024	Members as on Aug 31, 2024
1.	INDIVIDUAL - ANNUAL MEMBERS	138	137
2.	INDIVIDUAL - LIFE MEMBERS	21	21
	Total Individual	**159**	**158**
3.	NON- INDIVIDUAL - ANNUAL MEMBERS	96	99
4.	NON- INDIVIDUAL - LIFE MEMBERS	28	28
	Total Non-Individual	**124**	**127**
5.	ASSOCIATE - ANNUAL	23	25
6.	TOTAL MEMBERSHIP - ANNUAL	257	261
7.	TOTAL MEMBERSHIP - LIFE	49	49
	GRAND TOTAL	**306**	**310**

Two Corporate and Two Individual Memberships Expired
Four New Corporate Memberships

ARIA IN MEDIA: AUGUST 2024

Quoted in Business Standard
Kavitha Menon

Business Standard

Diversify mutual funds portfolio away from recent high performers.

Read more...

Quoted in Pune News
Sanjay Kadel

PUNE.NEWS

ARIA study reveals 72% of SEBI orders target trading call providers amidst surge in complaints

Read more...

Quoted in Money Control
Sanjay Kadel

moneycontrol

72% SEBI orders, 73% grievances against registered investment advisors who provide trading calls: ARIA analysis

Read more...

Quoted in Mint News
Sanjay Kadel

mint

Will Sebi's curbs on advisers cripple financial planning?

Read more...

ARIA IN MEDIA: AUGUST 2024

Quoted in Live Mint
Vivek Rege

livemint

From Gen X to Gen Z: Navigating wealth in a changing investment landscape.

Read more...

Quoted in Money Control
Suresh Sadagopan

moneycontrol

SEBI's draft IA regulations can boost the advisory profession

Read more...

Quoted in Mint News
Suresh Sadagopan

mint

IA regulation reforms: The perils of introducing part - time advisors

Read more...

KNOW YOUR BOARD MEMBERS

LOVAII NAVLAKHI
Chairperson

RENU MAHESHWARI
Vice Chairperson

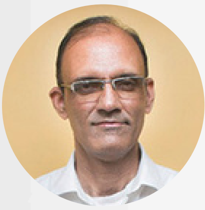
AMIT KUKREJA
Treasurer

KAVITHA MENON
Treasurer

DILSHAD BILLIMORIA

HARSH ROONGTA

SHAILENDRA KUMAR



SURESH SADAGOPAN

TARUN BIRANI

VIVEK REGE

KNOW YOUR VOLUNTEERS

ABHIJIT TALUKDAR

ABHISHEK MITTAL

ABUBAKR SIDDIQUE A G

ANANYA ROY

BIHARILAL DEORA

JAY THACKER

JIGAR PATEL

KALPESH ASHAR

KANIKA SHAH

MONICA MALKANI

NITIN SAWANT

PRAKASH PRAHARAJ

KNOW YOUR VOLUNTEERS

RATNASRI KARRA

RAVI NATARAJAN

ROHIT SHAH

ROSHNI NAYAK

S R SRINIVASAN

SRIDEVI GANESH

SUMIT DUSEJA

THEJUS PALATHINGAL

TRUPTI MURALIDHAR

VINIT IYER

VIPIN KHANDELWAL

VIRAJ PADHYE

KNOW YOUR VOLUNTEERS

VISHAL DHAWAN

UDAY DHOOT

UPASANA MONDAL

KNOW YOUR COMMITTEES

MEMBER ENGAGEMENT COMMITTEE

BOARD MEMBERS

Kavitha Menon
Renu Maheshwari
Suresh Sadagopan

VOLUNTEERS

Abhishek Mittal
Jay Thacker
Jigar Patel
Monica Malkani
Nitin Sawant
Ravi Natarajan
Sridevi Ganesh
Trupti Muralidhar
Upasana Mondal
Vinit Iyer

NEW MEMBERSHIP COMMITTEE

BOARD MEMBERS

Harsh Roongta
Lovaii Navlakhi
Tarun Birani
Abubakr Siddique A G

VOLUNTEERS

Kanika Shah
Rohit Shah
Thejus Palathingal

PARTNER ENGAGEMENT COMMITTEE

BOARD MEMBERS

Amit Kukreja
Lovaii Navlakhi
Vivek Rege

VOLUNTEERS

Jay Thacker
Trupti Muralidhar
Ravi Natarajan

ADVOCACY COMMITTEE

BOARD MEMBERS

Dilshad Billimoria
Harsh Roongta
Kavitha Menon
Renu Maheshwari
Shailendra Kumar

VOLUNTEERS

Biharilal Deora
Uday Dhoot
Viraj Padhye
Vishal Dhawan

WARIA

BOARD MEMBERS

Dilshad Billimoria
Renu Maheshwari

VOLUNTEERS

Ratnasri Karra

KNOW YOUR COMMITTEES

MEDIA COMMITTEE

BOARD MEMBERS

Dilshad Billimoria
Lovaii Navlakhi
Tarun Birani
Kavitha Menon

VOLUNTEERS

Ananya Roy
Kalpesh Ashar
Prakash Praharaj
Roshni Nayak
Sumit Duseja

TECHNOLOGY/ WEBSITE COMMITTEE

BOARD MEMBERS

Amit Kukreja
Shailendra Kumar

VOLUNTEERS

Abhijit Talukdar
Vinit Iyer
Vipin Khandelwal

ACCOUNTING AND FINANCE

BOARD MEMBERS

Amit Kukreja
Harsh Roongta
Kavitha Menon
Vivek Rege

SENIOR EXECUTIVE ASSISTANT

Collyn Mascarenhas

PROJECT COORDINATOR

Shraddha Mhamunkar

THANK YOU

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