JUNE
2024

ARIAN PERSPECTIVE

Monthly Newsletter by

ARIA
Association of
Registered Investment Advisers

#ARIATRULYCARES

BECOME A MEMBER

CONTACT US

www.aria.org.in

CHAIRMAN'S NOTE

LOVAII NAVLAKHI

Dear Members:

Some of us have committed to the cause of ARIA for a while now; others have joined the ship recently. Irrespective of the age of association, or the client segment that we aim to serve, our objective is common – to act as a true fiduciary, in the interest of our clients.

What we need is unwavering focus; the ability to ignore any distractions and attention to the end goal. ARIA and its members need to take a leaf out of the Indian cricket team book: follow the process, enjoy the journey, and have faith that the outcome will be favorable. While we are happy to celebrate small wins, we know that just winning in the short term is not our objective.

The tireless efforts of the Board members along with the sustained support of the volunteers have got us to this stage where we believe that our voice is being heard, that support from the partners continues, and that we are moving the needle in the direction that you, our members, desire.

As always, we continue to be open to hearing your views on how we can meet your expectations.

We do believe that the process we follow will enable us to win not only in the shorter format but also in the long run – after all, our interactions with our clients focus on long-term goals. We must not and will not lose sight of those.

Best wishes,
Lovaii

IDEA BOX

SURESH SADAGOPAN

MD & Principal Officer at Ladder7 Wealth Planners

Is Financial Advisory a scalable practice?

Financial advisory has been around for a long time. The purveyors of advice all along have been people who were selling one or the other product. They played the role of advisors as an afterthought as that cannot be avoided if they want to sell something to their clients.

The advice came free. But, as they say, we need to look the gift horse in its mouth!

It should be fairly obvious that such type of advice would be self-serving and would probably set the client up for one or the other product they have on offer!

The case for advisory - That changed with a new category of fee-only advisors coming into existence. This new class of advisors would be very attractive to anyone who wants their finances to be managed professionally and understands that they neither have the time nor knowledge to do it themselves.

Also, many people are turning seriously wealthy and their stakes are high; hence they start looking for unbiased, professional advisors. With India expected to mint a legion of wealthy people in the coming years and decades, the future for professional advisors looks very bright.

Scalability - There is an ever-present debate about the scalability of the advisory model. This stems from whether advisory should be a profession or should it be turned into a business.

Many advisors believe that advisory should be a profession where there is always a connection between the principal advisor and the client. These people claim that advisory is personal and they love to stay in touch with their clients.

(contd.)

IDEA BOX

SURESH SADAGOPAN

MD & Principal Officer at Ladder7 Wealth Planners

If this is the model adopted, scalability is a problem. Even with a few assistants to support them, the number of clients they can handle will be limited. This model is not a scalable model.

Cracking scalability - If the advisor is willing to train other advisors, mentor them and ensure that they are of the requisite quality, the number of clients that can be handled is limited only by how many advisors can be scaled up to the required level. This is a totally scalable model.

However, some advisors bristle at the thought that they are just building a farm of advisors who will handle thousands of clients. They seem to think that the advice will not be as good as if they were involved and also fear that the personal touch will not be there. They label this model disparagingly as a business.

However, if the advisors who handle the clients are trained well and a process is established to ensure deep client connections, the clients will be handled well and will be truly satisfied clients. Only this can give scale and will ensure that the thousands who need advice can be provided with aligned advice.

So why should there be a stigma with respect to internalising and replicating the advisory success story of one advisor into the organisational DNA itself?

We should be open-minded about this.

Existing success stories - Success stories can readily be found in an allied area - accounting firms. The big four have essentially made a Chartered accountant’s practice into a thriving big, global business. The scale, the depth and the geographies that they are able to straddle are impossible for a niche practice to even dream of.

(contd.)

IDEA BOX

SURESH SADAGOPAN

MD & Principal Officer at Ladder7 Wealth Planners

I don't see why something similar cannot happen in the financial advisory space. It will not be a loss of personalisation; it will be personalisation at scale with an unimaginable level of advisory capabilities that can be drawn upon from an organisation, which is bound to help many clients, more than just from a niche practice.

Challenges to look out for - The fact that such an option exists does not automatically make it something we can all adopt. This model has its own challenges to surmount. The challenges are many - recruiting compatible talent, training them, mentoring them, ensuring that they deliver services above a certain threshold level and retaining them.

Why not attempt this?

While that looks tough, it is not impossible. What is life if there is no vertical rock face to climb? This is our rock climbing expedition, with the summit still empty. Ready, anyone?

Suresh Sadagopan is the MD & Principal Officer at Ladder7 Wealth Planners and is the author of the book If God was your Financial Planner.

NOTE FROM ADVOCACY COMMITTEE

1. Meetings with BASL individually and jointly with SEBI and BSE were held, to help find practical solutions on ease of business for IAs and areas that need greater clarifications. These have also been taken up through the Industry Standards Forum (ISF) and work on the same continues.

2. ARIA continued to provide its feedback on the centralised fee collection mechanism that has been approved as an optional solution. This fee collection mechanism is being put together by BASL and MFU, as well as through a standalone BASL fee collection mechanism.

3. Feedback on the half-yearly data collection format was provided by ARIA, along with feedback on the annual audit format for 2023-2024 shared by BASL.

NOTE FROM MEMBERS AND PARTNERS ENGAGEMENT

Compliance Connect Series: Session on PMLA

This month, we organized our third Compliance Connect Series session on The Prevention of Money Laundering Act (PMLA). The session was conducted by CA Sanjay Kadel, Senior Partner at Assurance & Consulting, and moderated by Biharilal Deorar, Director at Abakkus Asset Manager LLP. This mandatory session for all SEBI-registered intermediaries, as per Section 12 of the SEBI Act, 1992, was a significant step in ensuring our members are informed and compliant. ARIA continues to play a crucial role in supporting our members' compliance needs.

Mumbai Chapter Meeting

We also had our Mumbai chapter meeting at the Axis Mutual Fund office in Mumbai. Vikash Wadekar, Head of Passive Strategies at Axis AMC, discussed the "Relevance of Factors in a Client's Portfolio." The event was hosted by Trupti Muralidhar, Mumbai chapter lead and a Registered Individual SEBI Investment Advisor. This engaging event covered key topics such as the application of factor investing and approaches to indexing, providing attendees with valuable insights and networking opportunities with fellow RIAs.

We want to thank our esteemed gold partner, Axis Mutual Fund, for organizing this event and for their continued support.

We have many exciting sessions lined up. Stay tuned for our upcoming events in July!

SESSION CONDUCTED IN THE MONTH OF JUNE 2024

IN-PERSON CHAPTER MEET IN MUMBAI

DATE: 28TH JUNE 2024

AXIS MUTUAL FUND

NEW MEMBERS: JUNE 2024

INDIVIDUAL - ANNUAL MEMBERSHIP

VISHAL SHAH

CHANDRAKANT KANASE

MADHUR GUNDECHA

ATUL BHIDE

ARIA MEMBERSHIP DETAILS

MEMBERS AS OF 30TH JUNE 2024

	Membership Category	Members as on May 31, 2024	Members as on June 30, 2024
1.	INDIVIDUAL - ANNUAL MEMBERS	137	138
2.	INDIVIDUAL - LIFE MEMBERS	23	22
	Total Individual	**160**	**160**
3.	NON- INDIVIDUAL - ANNUAL MEMBERS	95	96
4.	NON- INDIVIDUAL - LIFE MEMBERS	26	27
	Total Non-Individual	**121**	**123**
5.	ASSOCIATE - ANNUAL	23	23
6.	TOTAL MEMBERSHIP - ANNUAL	252	257
7.	TOTAL MEMBERSHIP - LIFE	49	49
	GRAND TOTAL	**304**	**306**

2 memberships expired

ARIA IN MEDIA: JUNE 2024

Quoted in Business Standard
Vishal Dhawan

Business Standard

In the case of double-income couples, not more than 40 per cent of the net income of one partner should be the EMI for the property.

Read more...

Quoted in Business Standard
Harsh Roontga

Business Standard

Investing for children: Buy house or opt for MFs?

Read more...

KNOW YOUR BOARD MEMBERS

LOVAII NAVLAKHI
Chairperson

RENU MAHESHWARI
Vice Chairperson

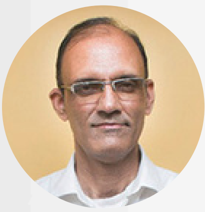
AMIT KUKREJA
Treasurer

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

BIHARILAL DEORA

JAY THACKER

JIGAR PATEL

KANIKA SHAH

MONICA MALKANI

NITIN SAWANT

RATNASRI KARRA

RAVI NATARAJAN

ROHIT SHAH

KNOW YOUR VOLUNTEERS

S R SRINIVASAN

SRIDEVI GANESH

THEJUS PALATHINGAL

TRUPTI MURALIDHAR

VINIT IYER

VIPIN KHANDELWAL

VIRAJ PADHYE

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

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

Call Us
+91 89767 68683/ 8976768684

Website
www.aria.org.in