



Foundation of Independent Financial Advisors

www.fifaindia.org

FIFA PERSPECTIVES

February 2017

FIFA's Annual Conference 2017 to be held on 24th March 2017

Total Registrations received: 235

Founder registered: 64

Life registered: 39

General registered: 132

REGISTRATIONS—CLOSED

Highlights:

Meeting with Shri Mahalingam on 9th Feb 2017:

FIFA was glad to have scheduled a meeting with **Shri Mahalingam** on 9 February, 2017. The meeting was attended by Mr. Dhruv Mehta, Chairman, FIFA; Mr. Vinod Jain, Director, FIFA; Mr. Lalit Gianchandani, Founder Member, FIFA and Mr. Yasir Varawala, Founder member, FIFA

- FIFA had made a presentation sharing our concerns regarding RIA rules.
- We appreciated the view that SEBI would not do anything in a hurry and all decisions will be taken after due deliberation, in a calibrated manner.
- FIFA also touched upon issues relating to Service Tax on commission paid to distributors, the study by *Finalmile* on **Investor Behaviour** with a request for a separate meeting to enable us to make a detailed presentation on the same.

During the course of our meeting, we appraised him of the forthcoming annual conference to be hosted by the Foundation of Independent Financial Advisors and extended our invitation to him and his entire team to attend FIFA's 3rd Annual conference to be held on the 24th of March 2017.

We look forward for a meeting to present our concerns on the service tax issue and the presentation by *Finalmile* on their study on **Investor behaviour**

Presentations made by FIFA at IFA Galaxy - on the activities of FIFA and appealing to IFAs to join FIFA.

Mr. Dhruv Mehta, Chairman, FIFA was invited by IFA Galaxy to address its members on the occasion of its 7th Knowledge Summit 2017 at Chennai.

The presentation started with an introduction of FIFA and how the membership has reached over 1400 IFA's and its presence across India. He highlighted the activities undertaken by FIFA especially- Knowledge Sharing events for its members; engagement with the Finance Ministry, SEBI and the regulators on matters like RIA, Commission Disclosure, Service tax and also study on Expense Ratio.

Presentations made by FIFA at Kotak U & I event held on 16th February 2017

Mr. Dhruv Mehta, Chairman, FIFA started the presentation with presence of FIFA members across India and continued with presentation on RIA and Study on Expense Ratio. He ended the presentation with how FIFA has been conducting Knowledge Sharing Events every month.

Geographical reach & Presence of FIFA Members: Mr. Dhruv Mehta had highlighted the fact that the total no of FIFA Members has been increasing and it has reached a reasonable size. Though the journey started slow, today they have sizeable no of IFA's and FIFA as an organisation provides a platform to be the voice of IFA's.

Study on RIA Model & expense ratio around the world: FIFA had done a rigorous study to understand the RIA model implemented in THE UK. They had also done the analysis on expense ratio in the developed markets like US & Canada. The study lead to some interesting findings wherein it was noticed, that by implementation of RIA or FEE based model, the cost for an investor can go up by up to 0.75%. It also pointed out that such model can lead to retail level advisory gap and the country might not be able to do a mass level Financial Inclusion.

Knowledge Sessions / Educative initiatives: FIFA has been conducting various presentations/Webinars to educate the IFA's. This helps IFA's in providing a continuous upgradation of knowledge to them.



After recently celebrating the festival of colors which signifies HOPE and

the victory of good over evil, ; the arrival of spring,

end of winter, and a day to forget and forgive, and repair broken relationships;

also celebrated as a thanksgiving for a good harvest ;

Let us interpret this as a harbinger of good news for India, the ongoing elections;

the superior performance of capital and bond markets and improved investor ex-

perience through the untiring efforts of the IFA community jointly with the Regula-

tors and other stake-holders.

We invite Members to solicit new Membership and invite viewers to register as Members. For details and registration forms, please visit FIFA Website: www.fifaindia.org

Events:

Indore

Mrs Roopa Venkatkrishnan, Secretary, FIFA presented at an event in Indore on 3rd February 2017; on the request of Insurance and Investment Advisor Association Indore which was attended by 80 Independent Financial Advisors across the city.

Mrs Roopa's presentation lasted for around 90 minutes and was focused on knowledge update which is the key requirement of IFAs with focus on Goal based planning. She also spoke in length about benefits of SIP and IFAs that the impact of inflation should be educated to new clients.

Advisors should feel that they are in Noble profession of Mutual Fund Distribution. Presentation skills was also covered in the event. After presentation Roopa spoke for 45 minutes about FIFA. She informed the house about the work done by FIFA in last few years.




Mr Nilesh Gurnani conducted the Programme.

Mr Amit Kumar Maheshwari President IIAA gave welcome speech and Introduced Roopa Venkatkrishnan.

Mr Rajesh Kulwal, FIFA Director gave the Vote of Thanks.

Mr. Vijay Agrawal, Mr. Suresh Kakani and Mr. Sudarshan Mundra also helped in organising this event.





CIFA- FEB 17TH 2017

Contributed by Deepak Khemani

- **Prashant Jain of HDFC Mf** shared some important data points about Market cycles.

He said that every 7-8 years markets go through a cycle where a sector catches the fancy of a few who start loading onto stocks of select companies, they perform well then others start following and then it starts moving towards a bubble every one wants to invest in the same sector, prices go higher valuations become expensive and more companies start issuing fresh shares and raise money at lofty valuations and earnings fall and it is here that the early investors start exiting finally leading to bursting of the bubble.

He gave the example of the technology sector in 1998-2000 where stocks went up 100 times, capital goods stocks went up 30 times in the 2003-2007 cycle.

He said we have entered a new cycle and we are at an early stage where interest rates have fallen and FDI is at a record high it is 4 times of CAD.

- **Nimesh SHah CEO of ICICI MF** took a session on what he would do if He was an IFA. He informed us that today there are only 7400 IFAs across India who earn more than 5 lakh a year as commissions which is abysmally low. He gave his idea that he had suggested to a few IFAs to take/rent an expensive office in a posh area of their city which would not only make it aspirational for employees to work harder but also make it an inspirational place for clients to come and meet their advisor and invest. He also suggested a partnership model where IFAs can come together and leverage each others contacts and ideas so that the team can do more business and earn more consequently. He told us that big IFAs who manage large AUMs have on an average 15 people working under them. For new clients he said that a defensive product is a good beginning as it will have lesser negative experiences and therefore it sells well. He said that IFAs who are able to face their clients during bad times and hand hold them when markets are down will garner and manage Larger AUMs comfortably. He gave his own example where he had invested in a Technology fund during the tech boom in 2000 where he saw his funds NAV go from 10 to 3, in that case he blamed everyone from the AMC the Fund Manager the advisor but never took the blame on himself for choosing a sector fund during boom time. He said that it is Trust which is most important in this business and he said that IFAs are a brand which they need to strengthen and nurture.
- **Radhika Gupta the newly appointed CEO of EDELWEISS Mf** shared some interesting thoughts,

She said that no one can predict which asset class is going to perform/outperform well with certainty in a given time frame, therefore an asset allocation strategy is one which works well. Once the asset allocation has been decided only then choose the product and stick with it.

She gave an example of an asset allocation strategy of 4 asset classes which she had given to her client which had outperformed the index in the last 7-8 years by at least 3-4% year on year. That asset allocation included equity debt gold and international equity.

She also said that the value given by an advisor can never become obsolete, value is priceless she said.

She said give an experience to the client not products and the client will stay with you.

- **Suresh Sadagopan of Ladder 7** gave a talk on the advisory business and the opportunity it presents. Advisors are transforming the lives of people with financial advice. He said that advisory is the future, advisory keeps us on our toes we are on the cutting edge which helps us earn the respect of our clients. He also shared the advantages of being an advisor the biggest one being there is no regulatory intervention, we have complete control over our earnings. He also said that there is no benchmark with reference to charging fees to the client. In advisory there is clarity and peace of mind for both advisor and the client. Once a client chooses a good advisor he should follow the path laid down for him or her to reach the financial goals.

FIFA WELCOMES ITS NEW MEMBERS: FEBRUARY 2017

M Type	Membership	Type	Name of Organisation/ IFA	Representative(s) NAME	CITY
General	O1214	Indv	Sushil Sayarchand Jain	Sushil Sayarchand Jain	Mumbai
General	O1215	Indv	Umesh Somai	Umesh Somai	Jaipur
General	O1216	Indv	Chetan Lakhotia	Chetan Lakhotia	Jaipur
General	O1217	Indv	Ashok Kumar Mutreja	Ashok Kumar Mutreja	Jaipur
General	O1218	Indv	Ridhi Financial Services	Pramod Kanoongo	Jaipur
General	O1219	Indv	Sara Consultancy Services	Navneet Sharma	Jaipur
General	O1220	Indv	Navin Kumar Jain	Navin Kumar Jain	Jaipur
General	O1221	Indv	Pramod Kumar Jain	Pramod Kumar Jain	Jaipur
General	O1222	Indv	S R Investments	Rakesh kumar Sharma	Jaipur
General	O1223	Indv	Prakash Maldhani	Prakash Maldhani	Jaipur
General	O1224	Indv	Indra Mohan Agrawal	Indra Mohan Agrawal	Jaipur
General	O1225	Indv	Balaji Investment	Chandra Prakash Tiwari	Ajmer
General	O1226	Indv	Prem Sukh Mundra	Prem Sukh Mundra	Jaipur
General	O1227	Indv	Parth Investment Solutions	Bhartesh Mangal	Ajmer
General	O1228	Indv	S M Investment	Ravi Gupta	Ajmer
General	O1229	Indv	Gyan Chand Jain	Gyan Chand Jain	Daltonganj
General	O1230	Indv	Wealth Management	Manish Dattatray Juvekar	Sangli
General	O1231	N.Indv	Money Mind Wealth Creation	Sudhir Sawant	Thane
				Vipra Patangia	Mumbai
General	O1232	Indv	Goyal Insurance	Deepak Goyal	Rajpura
General	O1233	Indv	Righi Value Wealth Advisory Services P L	Vinay Kumar Singh	Navi Mumbai
General	O1234	Indv	My Assets Advisory Services	Shanmukappa Lingappa Chillal	Navi Mumbai
General	O1235	Indv	Vijay Kumar Padmakar Gharat	Vijay Kumar Padmakar Gharat	Raigad
General	O1236	Indv	APV Financial	Anup Arun Prabhu Verlekar	Mapusa
General	O1237	Indv	Soham Investment & Insurance	Smita Sunil Kuthe	Raigad
General	O1238	Indv	Mahadir Insurance & Investments	Satish Shivram Mahadir	Roha
General	O1239	Indv	Stockplus Broking & Advisory Services	Bipin Manilal Savla	Navi Mumbai
General	O1240	Indv	Sai Siddhi Investment	Ganesh Ramchandra Nikam	Mumbai
General	O1241	Indv	Prakash Anaji Jagdale	Prakash Anaji Jagdale	Panvel
General	O1242	Indv	Kanchan Vivek Manchekar	Kanchan Vivek Manchekar	Mumbai
General	O1243	Indv	Vishnu Mahadeo Sarawale	Vishnu Mahadeo Sarawale	Navi Mumbai
General	O1244	Indv	Rajan Nagpal	Rajan Nagpal	Panipat
General	O1245	Indv	Atul Rajanikant Gupte	Atul Rajanikant Gupte	Badlapur
General	O1246	Indv	Your Life Planner	Mohit Jagga	Panipat
General	O1247	Indv	Vrinda Investment	Deepak Chhabra	Panipat
Founder	F122	Indv	Hemant Powale	Hemant Powale	Thane
Founder	F123	N. Indv	Multigain Financial Consultant pvt Ltd	Khalid Ali	Moradabad
Life	L140	Indv	Ravindra A Rathi	Ravindra A Rathi	Nagpur
General	O1248	Indv	Roman Prakash Sheth	Roman Prakash Sheth	Raigad
General	O1249	Indv	Sandeep Shrikishan Mudra	Sandeep Shrikishan Mudra	Gondia
General	O1250	N.Indv	JK Securities P L	Pranav Kiranbhai Patel	Anand
General	O1251	Indv	Dhan Investment	Dhanapal Saidapat Pachai	Navi Mumbai