

**GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF ECONOMIC AFFAIRS**

**RAJYA SABHA**

**UNSTARRED QUESTION NO. 242**

**ANSWERED ON DECEMBER 5, 2023/ 14 AGRAHAYANA, 1945 (SAKA)**

**STATUS OF INVESTMENT ADVISORS**

**242. Shri A. D. Singh:**

Will the Minister of *Finance* be pleased to state:

- (a) whether it is a fact that 35 per cent of the investment advisors are not registered with SEBI but are engaged in giving advises in the capital market;
- (b) if so, the details and if not, the reasons therefor;
- (c) the action being proposed against the unregistered advisors;
- (d) whether SEBI is also framing guidelines to regulate the activities of the advisors; and
- (e) if so, the details thereof and by when the guidelines will be framed?

**ANSWER**

**SHRI PANKAJ CHAUDHARY  
MINISTER OF STATE FOR FINANCE**

**(a) to (e):** Investment Advisers are granted registration by SEBI as per the provisions of the SEBI Act, 1992 and SEBI (Investment Advisers) Regulations, 2013. The said regulations mandate registration with SEBI for functioning as an Investment Adviser in the securities market. These Regulations, inter alia, lay down the eligibility conditions for registration, obligations and responsibilities and procedure for action in case of default.

As on 28 November 2023, 1303 Investment Advisers are registered with SEBI. On receipt of any complaints/ references against unregistered entities carrying out such activities, and also after *suo-moto* cognizance, SEBI conducts examination of these entities. In cases of non-compliance, appropriate sections of SEBI Act and various SEBI Regulations are invoked and requisite directions are issued to the non-compliant entities.

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