



Dear Professional Colleagues

The world at large recognizes the fact that the Institute of Company Secretaries of India has treaded flawlessly on the path of progress, undeterred by impediments and hindrances that came in its way.

Since 1980, every year, ICSI has taken up various initiatives that have cast an everlasting impact towards enhancing the reputation of the profession.

The recent regulatory prescriptions have recognized the pivotal role that company secretaries can play in ensuring the compliance of the law in true letter and spirit. There is a plethora of opportunities for the profession of Company Secretaries and we need to develop our capacities by garnering knowledge and latest information from multifarious sources. This responsibility is exclusively on us, at the ICSI.

In this direction, the Institute strongly felt the need to take up Financial Services as focussed area this year. A step in that direction is :

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Opportunity

Company Secretary in Practice are authorised to conduct the Internal Audit of Portfolio Managers under SEBI (Portfolio Managers) Regulations, 1993.

Current Status

Statutory Recognition under SEBI Regulations

Engagement Perspective

SEBI (Portfolio Manager) Regulation, 1993 were notified on January 7, 1993. These Regulations had amended to provide an enabling framework for registration of eligible fund managers desirous of providing their services to overseas funds. The amendment provides a separate Chapter II-A for 'Eligible Fund Managers' and permit existing portfolio managers as well as new applicants, compliant with requirements specified under Section 9A of Income Tax Act, 1961, to act as 'Eligible Fund Managers'. Chapter II-A also defines the obligations and responsibilities of such fund managers.

A Portfolio Manager is a body corporate who, pursuant to a contract or arrangement with a client, advises or directs or undertakes on behalf of the client (whether as a discretionary portfolio manager or otherwise), the management or administration of a portfolio of securities or the funds of the client. Every Portfolio Manager is required to appoint a Practising Company Secretary for conducting Internal Audit which shall be submitted twice a year, as on 31st of March and 30th of September. This Report shall be submitted within 30 days to SEBI. The scope of the Internal Audit comprises the checking of compliance of SEBI (Portfolio Managers) Regulations 1993 and circulars, notifications or guidelines issued by the SEBI and internal procedures followed by the Portfolio Manager.

Currently, there are 223 Portfolio Managers registered with SEBI and the number is evolving progressively. The details can be viewed at <http://www.sebi.gov.in/sebiweb/home/detail/152/no/Registered-Portfolio-Managers>

ICSI Initiatives

ICSI always endeavors to promote the cause of the profession to excel in service delivery to various stakeholders. With a view to tap newer avenues available in the areas of financial services, the Institute regularly makes representations to Government and regulatory authorities such as SEBI, RBI, IRDA & IBA and apprise them about the potential value addition by a company secretary in the areas of financial services. Further for capacity building of the members, ICSI organizes Seminars, Conferences and Training Programmes on contemporary topics inter alia related to financial services.

In our quest to bring newer opportunities for our Profession, we humbly remain

Sincerely yours,

CS Mahavir Lunawat
Chairman, Financial Services Committee
& Central Council Member, The ICSI

CS (Dr.) Shyam Agrawal
President, The ICSI