



23rd October, 2021

Dear Professional Colleague,

Subject: Recognition to Company Secretary in Practice under the International Financial Services Centres Authority (Capital Market Intermediaries) Regulations, 2021

This is in continuation our communication dated 22nd October, to 2021 wherein we have informed all the members about the new recognitions accorded to Company Secretaries in Practice (PCS) by the International Financial Services Centres Authority (IFSCA).

As you are aware, the Institute is pro-actively making representations and submitting views/suggestions/comments on various Consultation/Discussion Papers/Reports issued by the various Ministries/ Regulators/ Statutory Bodies for seeking opportunities for its members under various legislations.

In this direction, the Institute has submitted its views on the Draft Consultation Paper for “**Capital Market Intermediaries Regulations, 2021**” placed by the IFSCA on its website for public comments, **specifically requesting the IFSCA to authorise the PCS to conduct Audit of Capital Market Intermediaries registered with the IFSCA.**

The International Financial Services Centres Authority has notified the International Financial Services Centres Authority (Capital Market Intermediaries) Regulations, 2021 Vide Gazette Notification Dated 18th October, 2021 wherein, **the IFSCA has authorise the PCS to conduct annual audit of Capital Market Intermediaries and issue Net Worth Certificate to the applicant willing to register as an capital market intermediaries with the IFSCA.**

We are grateful to the IFSCA for considering the suggestions submitted by the Institute, reposing the confidence and accorded the profession of Company Secretaries with these certification services.

The reference to the selected Regulations under IFSCA Regulations providing for recognitions mentioned above is as under:

“ Annual Audit

22. (1) A registered capital market intermediary shall have an annual audit conducted in respect of compliance with these regulations by a member of the Institute of Chartered Accountants of India **or a member of the Institute of Company Secretaries of India** or any person authorised to conduct audit in a Foreign Jurisdiction.

Schedule I, Part I, Point 12

Net worth as per the latest financial statements of the applicant

Please enclose net worth certificate by Chartered Accountant / Company Secretary (or their equivalent in Foreign Jurisdiction) not older than six months as on the date of application.”

The notified regulations are available on the IFSCA website at the following link:

<https://ifsc.gov.in/Regulation?MIId=SPjXo43PViQ=>

Regards,

(CS Nagendra D Rao)

President

The Institute of Company Secretaries of India