



THE INSTITUTE OF Company Secretaries of India

भारतीय कम्पनी सचिव संस्थान

IN PURSUIT OF PROFESSIONAL EXCELLENCE

Statutory body under an Act of Parliament

(Under the jurisdiction of Ministry of Corporate Affairs)

October 11, 2023

Dear Professional Colleague,

REGISTRATION OF REPORTING ENTITY UNDER PREVENTION OF MONEY-LAUNDERING ACT, 2002

As you are aware, the Ministry of Finance vide its notification dated May 03, 2023 has notified the financial transactions carried out by professionals including Company Secretary in practice, on behalf of his client during the course of his profession, in relation to the activities listed below:

- (i) buying and selling of any immovable property;
- (ii) managing of client money, securities or other assets;
- (iii) management of bank, savings or securities accounts;
- (iv) organisation of contributions for the creation, operation or management of companies;
- (v) creation, operation or management of companies, limited liability partnerships or trusts, and buying and selling of business entities.

Company Secretaries in Practice if carrying out the above Financial Transactions would be termed as 'Reporting entity' under section 2(1)(wa) and 2(1)(sa)(vi) read with notification of Ministry of Finance dated May 03, 2023.

It is hereby clarified that charging professional fees, receiving money from clients for Government or legal dues etc. would not be construed as Financial Transactions.

To guide the professionals in Practice, FIU-India has implemented the AML & CFT Guidelines which are effective w.e.f. June 19, 2023 [[AMLCFTguidelines04072023.pdf \(fiuindia.gov.in\)](#)]. These Guidelines apply to such Reporting Entities.

As per the abovementioned Guidelines, the ICSI is required to identify the existing Reporting Entities undertaking financial transactions as listed under the notification dated May 03, 2023. In compliance of the same, all the members holding Certificate of Practice and falling within the definition of Reporting Entity under the Act are requested to register themselves by kindly filling their details in the form placed at the link below within seven (7) days:

<https://forms.gle/gyMfn6mYxKqpihFC8>

Further, members are advised not to enter into any transaction with organizations/ Individuals, banned by the Government of India. The link: <https://www.mha.gov.in/en/divisionofmha/counter-terrorism-and-counter-radicalization-division>

In case of any clarification, please email at pmla@icsi.edu.

Regards,

Team ICSI