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SECURITIES AND EXCHANGE BOARD OF INDIA
NOTIFICATION
Mumbai, the 10th of May, 2019

SECURITIES AND EXCHANGE BOARD OF INDIA (PORTFOLIO MANAGERS)
(AMENDMENT) REGULATIONS, 2019

No. SEBI/LAD-NRO/GN/2019/17 - In exercise of the powers conferred by section 30 of the Securities and Exchange Board of India Act, 1992 (15 of 1992), the Board hereby makes the following regulations to further amend the Securities and Exchange Board of India (Portfolio Managers) Regulations, 1993, namely –

1. These Regulations may be called the Securities and Exchange Board of India (Portfolio Managers) (Amendment) Regulations, 2019.
2. They shall come into force on the date of their publication in the Official Gazette.
3. In the Securities and Exchange Board of India (Portfolio Managers) Regulations, 1993, -
 - I. in regulation 2, -
 - i. for clause (af), the following clauses shall be substituted, namely,-

“(af) “custodian” means a person who has been granted a certificate of registration to carry on the business of custodian under the Securities and Exchange Board of India (Custodian) Regulations, 1996;

(ag) “discretionary portfolio manager” means a portfolio manager who exercises or may exercise, under a contract relating to portfolio management, any degree of discretion as to the investments or management of the portfolio of securities or the funds of the client, as the case may be;”

ii. after clause (b) and before clause (c), the following clause shall be inserted, namely, -

“(ba) “goods” means the goods notified by the Central Government under clause (bc) of section 2 of the Securities Contracts (Regulation) Act, 1956 and forming the underlying of any commodity derivative;”

iii. in clause (ca), after the word “securities” and before the word “belonging”, the words “and goods” shall be inserted;

iv. in clause (cb), -

a. after the word “securities” and before the word “or”, the words “or goods” shall be inserted;

b. the following proviso shall be inserted, namely,-

“Provided that the Portfolio Manager may also deal in goods received in delivery against physical settlement of commodity derivatives.”

v. for clause (ea), the following clauses shall be substituted, namely,-

“(ea) “securities” mean securities as defined in clause (h) of section 2 of the Securities Contracts (Regulation) Act, 1956;

(eb) “securities lending” means the securities lending as per the Securities Lending Scheme, 1997 specified by the Board;”

- II. in regulation 14, in sub-regulation (1), in clause (b), in sub-clause (xii), after the word “securities” and before the symbol “;”, the words “and goods” shall be inserted;
- III. in regulation 16B, after sub-regulation (2), following sub-regulation shall be inserted, namely,-
“(3) Every Portfolio Manager who deals in commodity derivatives shall appoint a custodian.”
- IV. in regulation 21, in sub-regulation (1), in clause (a), -
- a. after the word “of security” and before the word and symbol “, number”, the words “and goods” shall be inserted;
 - b. after the word “in the portfolio” and before the word and symbol “, cash”, the words and symbol “, units of goods, value of goods” shall be inserted;

sd/-

AJAY TYAGI

CHAIRMAN

SECURITIES AND EXCHANGE BOARD OF INDIA

Footnote:

1. The Securities and Exchange Board of India (Portfolio Managers) Regulations, 1993 were issued under S.O. No. SEBI/LE/93/III dated January 7, 1993 published in the Gazette of India, Part II, Section 3(ii) dated January 7, 1993.

2. The Securities and Exchange Board of India (Portfolio Managers) Regulations, 1993 were subsequently amended on,–

- (1) November 28, 1993 by, SEBI (Portfolio Managers) (Amendment) Regulations, 1993 published in the Official Gazette vide S.O.No. 939(E).
- (2) November 28, 1995 by SEBI (Payment of Fees) (Amendment) Regulations, 1995 vide S.O No.939 (E).
- (3) January 05, 1998 by SEBI (Portfolio Managers) (Amendment) Regulations, 1998 published in the Official Gazette vide S.O.No. 20 (E).
- (4) September 30, 1999 by SEBI (Portfolio Managers) (Amendment) Regulations, 1999 published in the Official Gazette vide S.O. No. 793 (E)
- (5) February 22, 2000 by SEBI (Portfolio Managers)(Amendment) Regulations, 2000 published in the Official Gazette vide S.O. No. 146 (E).
- (6) March 28, 2000 by SEBI (Appeal to Securities Appellate Tribunal) (Amendment) Regulations, 2000 published in the Official Gazette vide S.O no. 278(E).
- (7) May 29, 2001 by SEBI (Investment Advice by Intermediaries)(Amendment) Regulations, 2001 vide S.O no. 476(E).
- (8) September 27, 2002 by SEBI (Procedure for Holding Enquiry by Enquiry Officer and Imposing Penalty) Regulations, 2002 vide S.O. No. 1045 (E).
- (9) October 11, 2002 by SEBI (Portfolio Managers) (Amendment) Regulations, 2002 vide S.O no. 1087 (E)
- (10) March 10, 2004 by the Securities and Exchange Board of India (Criteria for Fit and Proper Person) Regulations, 2004 vide S.O. No. 398(E). on June 11, 2002 by the Securities and Exchange Board of India (Mutual Funds) (Second Amendment) Regulations, 2002 vide S.O. No.625 (E).
- (11) May 27, 2004 by SEBI (Portfolio Managers) (Amendment) Regulations, 2004 vide S.O no. 654 (E).
- (12) July 5, 2006 by SEBI (Portfolio Managers) (Amendment) Regulations, 2006 vide S.O no. 997 (E).
- (13) September 7, 2006 by SEBI (Portfolio Managers) (Second Amendment) Regulations, 2006 vide S.O no. 1450 (E).
- (14) November 30, 2006 by SEBI (Portfolio Managers) (Third Amendment) Regulations, 2006 vide S.O No. 2053 (E).
- (15) May 26, 2008 by the Securities and Exchange Board of India (Intermediaries) Regulations, 2008 vide Notification No. LAD/NRO/GN/2008/11/126538.
- (16) August 11, 2008 by SEBI (Portfolio Managers) (Amendment) Regulations, 2008 vide Notification No. LAD-NRO/GN/2008/19/134764.
- (17) February 10, 2012 by SEBI (Portfolio Managers) (Amendment) Regulations, 2012 vide Notification No. LAD-NRO/GN/2011-12/37/3689.
- (18) January 02, 2017 by SEBI (Portfolio Managers) (Amendment) Regulations, 2016 vide Notification No. SEBI/LAD/NRO/GN/2016-17/019.
- (19) March 06, 2017 by Securities and Exchange Board of India (Payment of Fees and Mode of Payment) (Amendment) Regulations, 2017 vide No. SEBI/LAD/NRO/GN/2016-17/037.
