

Dear Members,

Re : Advertisement Guidelines issued by SEBI

We draw your attention to SEBI's email communication dated March 29, 2010 (attached), whereby SEBI had directed AMC's to ensure that any sales, promotional or any other literature, prepared/ issued by distributors/ agents/ third parties about the fund house products, adhere and comply with SEBI guidelines. AMC were also advised to take suitable steps to put in place a mechanism for proactive oversight in this regard.

Recently certain instances have been brought to AMFI's attention wherein certain corporate distributors have issued advertisements in print / digital media to promote mutual fund products including SIP, which were rather misleading and not in line with SEBI's Advertisement Code for mutual funds.

While AMFI has advised the concerned distribution houses suitably in the matter (in consultation with AMFI's ARN Committee), in light of the above mentioned SEBI directive, all AMC's are advised to :

1. be vigilant in respect of the promotional advertisements issued by mutual fund distributors empanelled with them and take immediate measures to withdraw such advertisements, which are not compliant with SEBI's advertisement code for mutual funds, and
2. promptly report such cases to AMFI, for further necessary action.

With Regards,

Sincerely,

C G Parekh
Executive Vice President

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