



Association of Mutual Funds in India

135/ BP/ 48/ 2014-15

June 24, 2014

To All Members

Dear Sir / Madam,

Sub : AMFI Best Practice Guidelines Circular No. 48/ 2014-15

Dealing with Applications when the Scheme name in the Application /

Transaction Slip differs from that on the payment instrument

1. It has been observed by SEBI that different practices are being followed by asset management companies (AMCs) while dealing with investors' applications for purchase of units, if the name of the scheme mentioned on the application form/ transaction slip and that on the payment instrument are different. SEBI has also advised that the AMCs should follow a uniform practice in this regard.
2. The matter was therefore examined by the AMFI Committee on Operations and Compliance who have recommended that if the Scheme name on the application form and on the payment instrument are different, the application may be processed and units allotted at applicable NAV of the scheme mentioned in the application / transaction slip duly signed by investor(s), given that the same constitutes a valid legal document between the investor and the AMC.

All members are advised to take note of the above and initiate immediate steps to implement the above guidelines, including sending distributor communication, investor communication, instructions to their RTAs and modifying instructions printed in the KIMs, etc.

With Regards,

Balkrishna Kini
Executive Vice President