



## Association of Mutual Funds in India

November 14, 2018

Dear Members,

**Re : Clarification / Advisory w.r.t. applicability of AMFI BP circular on Distributors' Commission**

Following SEBI circular no. SEBI/HO/IMD/DF2/CIR/P/2018/137 dated October 22, 2018 on Total Expense Ratio (TER), AMFI has been receiving queries from some of the members as to whether the AMFI Best Practice Guidelines circulars No. 54, 59, 60, 60A and 67 dated 26/03/2015, 26/06/2015, 10/09/2015, 09/02/2016 and 18/04/2016 on Distributors Commission continue to be applicable, as some of the clauses in therein stand superseded by SEBI's aforesaid circular.

In this regard, it is hereby clarified that the AMFI Best Practice Circulars on Commission Pay-out to the distributors continue to be in effect TO THE EXTENT THE GUIDELINES THEREIN ARE NOT IN CONFLICT / CONTRAVENTION TO THE ABOVEMENTIONED SEBI CIRCULAR.

We are in the process of reviewing the AMFI Best Practice circulars on the subject in the light of the aforesaid SEBI circular in consultation with the AMFI Board and shall be issuing revised guidelines shortly, subject to the Board's approval. Till then, kindly bear with us.

With best regards,

**N. S. Venkatesh**  
**Chief Executive**