

**DEPUTY GENERAL MANAGER  
INVESTMENT MANAGEMENT DEPARTMENT**

SEBI/IMD/CIR No.15/191378 /2010  
January 18, 2010

**All Mutual Funds/Asset Management Companies (AMCs)  
and Association of Mutual Funds (AMFI)**

Dear Sir/Madam,

**Sub: Advertisement by mutual funds.**

1. Please refer to Regulation 30(1) and Schedule VI of SEBI (Mutual Funds) Regulations, 1996 on Advertisement Code.
2. It is essential for the investors to be aware that the investments made in mutual funds are subjects to risk and that the scheme related documents should be read before investing. Hence it was mandated that statements appearing in Clauses 10, 13 and 14 of Schedule VI of SEBI (Mutual Funds) Regulations, 1996 on Advertisement Code should appear in all advertisements. However, it is noted that the advertisements issued are generally lengthy and hence these disclosures are not brought to the attention of the investors.
3. In order to make these statements more prominent, it is advised that the disclosures as stated in Clauses 10, 13 and 14 of Schedule VI of SEBI (Mutual Funds) Regulations, 1996 on Advertisement Code shall be printed in bold.
4. All mutual funds shall comply with the above requirements in letter and spirit.
5. This circular is issued in exercise of powers conferred under Section 11 (1) of the Securities and Exchange Board of India Act, 1992, read with the provisions of Regulation 77 of the SEBI (Mutual Funds) Regulations, 1996, to protect the interests of investors in securities and to promote the development of, and to regulate the securities market.

Yours faithfully,

**Asha Shetty**