

**DEPUTY GENERAL MANAGER
INVESTMENT MANAGEMENT DEPARTMENT**

**SEBI/IMD/CIR No. 14/151044/09
January 19, 2009**

**All Mutual Funds Registered with SEBI,
Association of Mutual Funds in India (AMFI)**

Sir/Madam,

Sub: Indicative Portfolios and Yields in Mutual Fund schemes

1. Advisory Committee of Mutual Funds discussed the practice of Mutual Funds offering indicative portfolios and indicative yields in their debt /fixed income products. There was a consensus that this practice should be prohibited as the indicative portfolio and indicative yield may be misleading to the investors.
2. It is, therefore, decided that the Mutual Funds shall not offer any indicative portfolio and indicative yield. No communication regarding the same in any manner whatsoever, shall be issued by any Mutual Fund or distributors of its products. The compliance of the same shall be monitored by the AMC and Trustees and reported in their respective reports to SEBI.
3. 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 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,

Ruchi Chojer