



Securities and Exchange Board of India

CIRCULAR

Cir / IMD / DF / 2 / 2010

May 13, 2010

All Mutual Funds, Asset Management Companies (AMCs) and Association of Mutual Funds of India

Sir/Madam,

Sub: Disclosure of investor complaints with respect to Mutual Funds

1. SEBI has received feedback from investors and Investors' Associations to improve transparency in the 'grievance redressal mechanism'. Based on the same, transparency in 'grievance redressal' is identified as a key area to augment investor protection. It is envisaged that transparency will also improve the general functioning of the market by providing investors the wherewithal to make an informed choice.
2. Accordingly, it has been decided that Mutual Funds shall henceforth disclose on their websites, on the AMFI website as well as in their Annual Reports, details of investor complaints received by them from all sources. The said details should be vetted and signed off by the Trustees of the concerned Mutual Fund.
3. The format for the aforesaid disclosure is given as Annexure to this Circular.
4. The Mutual Funds are accordingly advised to :
 - a. Upload the report for the year 2009-10 by June 30, 2010.
 - b. Upload the report for the following financial years within 2 months of the close of the financial year.
 - c. Include the report in their annual reports, as part of the Report of the Trustees, beginning with the annual report for the year 2009-10.
5. This Circular is being 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,

S. Ravindran
Chief General Manager
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Encl: as above

III A	Wrong switch between Schemes												
III B	Unauthorized switch between Schemes												
III C	Deviation from Scheme attributes												
III D	Wrong or excess charges/load												
III E	Non updation of changes viz. address, PAN, bank details, nomination, etc												
IV	Others												
TOTAL													

including against its authorized persons/ distributors/ employees. etc.

***Non actionable** means the complaint that are incomplete / outside the scope of the mutual fund

Classification of complaints

Type of Complaint	
TYPE I	Delay/Non-receipt of money
I A	Dividend on Units
I B	Interest on delayed payment of Dividend
I C	Redemption Proceeds
I D	Interest on delayed payment of Redemption
TYPE II	Statement of Account/Unit Certificate/Annual Report
II A	Non receipt of Statement of Account/Unit Certificate
II B	Discrepancy in Statement of Account
II C	Non receipt of Annual Report/Abridged Summary
TYPE III	Service related
III A	Wrong switch between Schemes
III B	Unauthorized switch between Schemes
III C	Deviation from Scheme attributes
III D	Wrong or excess charges/load
III E	Non updation of changes viz. address, PAN, bank details, nomination, etc
TYPE IV	Others