



भारतीय प्रतिभूति और विनिमय बोर्ड  
Securities and Exchange Board of India

CIRCULAR

CIR/MRD/DSA/33/2014

December 09, 2014

TO

All Recognised Stock Exchanges,  
All Recognised Clearing Corporation,  
All Depositories.

Dear Sir / Madam,

**Subject : Facilitating transaction in Mutual Fund schemes through the Stock Exchange Infrastructure.**

1. SEBI vide circular no. CIR/MRD/DSA/32/2013 dated October 04, 2013 had permitted Mutual Fund Distributors to use recognised stock exchanges' infrastructure to purchase and redeem mutual fund units directly from Mutual Fund/Asset Management Companies on behalf of their clients.
2. Paragraph 5 of the aforesaid circular is as under  
*“The MF distributors shall not handle payout and pay in of funds as well as units on behalf of investor. The recognised stock exchange shall put necessary system in place to ensure that pay in will be directly received by recognised clearing corporation and payout will be directly made to investor account. In the same manner, units shall be credited and debited directly from the demat account of investors”.*
3. In this regard, in order to broad base the reach of this platform, it is decided to permit non demat transactions also in the Mutual fund through stock exchange platform.
4. The other provisions of the above mentioned circular remain unchanged.
5. This circular is being issued in exercise of powers conferred under Section 11 of the Securities and Exchange Board of India Act, 1992 to protect the interests of investors in securities and to promote the development of, and to regulate the securities market.
6. This Circular is also available on SEBI website at [www.sebi.gov.in](http://www.sebi.gov.in)

Yours faithfully,

Sunil Kadam  
General Manager  
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