



CIRCULAR

SEBI/HO/IMD/DF2/CIR/P/2018/15

February 02, 2018

**All Mutual Funds/ Asset Management Companies (AMCs)/
Trustee Companies/ Boards of Trustees of Mutual Funds**

Sir/Madam,

**Sub: Charging of additional expenses of upto 0.20% in terms of
Regulation 52 (6A) (c) of SEBI (Mutual Funds) Regulations, 1996**

1. Regulation 52 (6A) (c) of SEBI (Mutual Funds) Regulations, 1996, allows an AMC to charge additional expenses, incurred towards different heads mentioned under Regulation 52 (2) and Regulation 52 (4), not exceeding 0.20 per cent of daily net assets of the scheme.
2. In this respect, it is clarified that Mutual Fund schemes including close ended schemes, wherein exit load is not levied / not applicable, the AMCs shall not be eligible to charge the above mentioned additional expenses for such schemes.
3. Further, existing Mutual Fund schemes including close ended schemes, wherein exit load is not levied / not applicable, shall discontinue, with immediate effect, the levy of above mentioned additional expenses, if any.

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 interest of investors in securities and to promote the development of, and to regulate the securities market.

Yours faithfully,

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