

CIRCULAR

SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/29

April 30, 2024

To

All Mutual Funds

All Asset Management Companies (AMCs)

All Trustees of Mutual Funds

All Registrars to an Issue and Share Transfer Agents (RTAs)

Association of Mutual Funds in India (AMFI)

Sir / Madam,

Subject: Nomination for Mutual Fund Unit Holders – exemption for jointly held folios

1. Clause 17.16 of Master Circular No. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2023/74 dated May 19, 2023 for Mutual Funds ('Master Circular') read with Circular No. SEBI/HO/IMD/IMD POD1/P/CIR/2023/160 dated September 27, 2023 and Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2023/193 dated December 27, 2023, *inter alia*, prescribes the requirement for nomination/opting out of nomination for all the existing individual unit holder(s) holding Mutual Fund units either solely or jointly, by June 30, 2024, failing which the folios shall be frozen for debits.
2. In order to simplify, ease and reduce cost of compliance, a working group was constituted to review the present regulatory framework of Mutual Funds and recommend measures to promote the ease of doing business. Based on the recommendations of the working group, a public consultation was carried out.
3. Accordingly, it has been decided that the requirement of nomination specified under clause 17.16 of the Master Circular for Mutual Funds shall be optional for jointly held Mutual Fund folios.
4. All other provisions related to requirement of nomination as provided in SEBI Master Circular No. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2023/74 dated May 19, 2023 and SEBI Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2023/193 dated December 27, 2023, shall remain unchanged.
5. This circular is issued in exercise of powers conferred by Section 11(1) of the Securities and Exchange Board of India Act, 1992, read with Regulation 29A and 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.

6. This circular is available on SEBI website at www.sebi.gov.in under the categories "Legal Framework -> Circulars".

Yours faithfully,

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