

Dated: November 30, 2022

NOTICE

All Entities are hereby informed that the Exchange has received a Circular from SEBI Vide Ref.No.SEBI/HO/IMD/IMD-I DOF2/P/CIR/2022/161,dated November 25, 2022 regarding Timelines for transfer of dividend and redemption proceeds to unitholders).The contents of the said circular are reproduced hereunder for information.

Quote:

CIRCULAR

SEBI/HO/IMD/IMD-I DOF2/P/CIR/2022/161

November 25, 2022

To

All Mutual Funds/

All Asset Management Companies (AMCs)/

All Trustee Companies/ Boards of Trustees of Mutual Funds/ All

Registrar and Transfer Agents (RTAs)/

Association of Mutual Funds in India (AMFI)

Dear Sir/ Madam,

Subject: Timelines for transfer of dividend and redemption proceeds to unitholders

1. SEBI has amended Regulation 53 of SEBI (Mutual Funds) Regulations, 1996 vide Gazette Notification No. SEBI/LAD-NRO/GN/2022/106 dated November 15, 2022.
2. Consequent to the above amendment, the following has been decided:
 - I. Transfer of Dividend Payments
 - a. In partial modification of paragraph II(c) of SEBI Circular SEBI/IMD/CIR No.1/64057/06 dated April 4, 2006, the record date shall be two working days from the issue of public notice, wherever applicable, for the purpose of payment of dividend.
 - b. The payment of dividend to the unitholders shall be made within seven working days from the record date.
 - II. Transfer of Redemption or Repurchase Proceeds
 - a. The transfer of redemption or repurchase proceeds to the unitholders shall be

made within three working days from the date of redemption or repurchase.

- b. Vide SEBI Circular SEBI/IMD/CIR No.7/104753/07 dated September 26, 2007, a list of permissible investments was prescribed for the purpose of overseas investments. For schemes investing atleast 80% of total assets in such permissible overseas investments, the transfer of redemption or repurchase proceeds to the unitholders shall be made within five working days from the date of redemption or repurchase.
- c. AMFI, in consultation with SEBI, shall publish a list of exceptional circumstances for schemes unable to transfer redemption or repurchase proceeds to investors within time as stipulated at II (a) and II (b) above, along with applicable time frame for transfer of redemption or repurchase proceeds to the unitholders in such exceptional circumstances. The list shall be published within 30 days of issuance of this circular.

- III. Interest for the period of delay in transfer of redemption or repurchase or dividend shall be payable to unitholders at the rate of 15% per annum along with the proceeds of redemption or repurchase or dividend, as the case may be. Such Interest shall be borne by AMCs. The details of such payments shall be sent to SEBI as part of Compliance Test Reports in the format placed at Annexure A. Investors shall also be informed about the rate and amount of interest paid to them. Accordingly, circular SEBI/MFD/CIR/2/266/2000 dated May 19, 2000 is rescinded.

- 3. This circular is issued in exercise of the powers conferred under Section 11 (1) of the Securities and Exchange Board of India Act 1992, read with the provision of Regulation 77 of SEBI (Mutual Funds) Regulation, 1996 to protect the interests of investors in securities and to promote the development of, and to regulate the securities market.

Yours faithfully,

Chhavi M Kapoor
General Manager

Tel no.: 022-26449112

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A. Statement of Interest Paid to the investors for delays in transfer dividend payments

Investor Name	PAN/ PEKRN of Investor	Record Date	Date of transfer of Dividend	Period of delay	Amount of Interest Paid

B. Statement of Interest Paid to the investors for delays in transfer of redemption or repurchase proceeds

Investor Name	PAN/ PEKRN of Investor	Date of receipt of Redemption/ Repurchase request	Date of transfer of Redemption/ Repurchase	Period of delay	Amount of Interest Paid

Unquote: -

All Entities are requested to take note of the contents of the aforesaid Circular of SEBI and act accordingly.

Dhiraj Chakraborty
CGM & Compliance Officer