



CIRCULAR

SEBI/HO/IMD/IMD-II DOF3/P/CIR/2021/621

August 31, 2021

All Mutual Funds/

Asset Management Companies (AMCs)/

Trustee Companies/Boards of Trustees of Mutual Funds/

Association of Mutual Funds in India (AMFI)/

Registrar and Transfer Agents of Mutual Funds (RTAs)

Sir/ Madam,

Subject: Disclosure of risk-o-meter of scheme, benchmark and portfolio details to the investors

1. SEBI vide circular SEBI/HO/IMD/IMD-II DOF3/P/CIR/2021/555 dated April 29, 2021 mandated mutual funds to disclose the following to the investors in which the unit holders are invested as on the date on which the disclosures are stipulated:
 - a. risk-o-meter of the scheme and the benchmark along with the performance disclosure of the scheme vis-à-vis benchmark and
 - b. details of the portfolio while communicating the fortnightly, monthly and half-yearly statement of scheme portfolio via email.
2. In continuation with the aforesaid circular, it is clarified that AMCs shall disclose the following in all disclosures, including promotional material or that stipulated by SEBI:
 - a. risk-o-meter of the scheme wherever the performance of the scheme is disclosed
 - b. risk-o-meter of the scheme and benchmark wherever the performance of the scheme vis-à-vis that of the benchmark is disclosed.
3. The portfolio disclosure in terms of para 3 of SEBI circular SEBI/HO/IMD/DF2/CIR/P/2018/92 dated June 5, 2018 on 'Go Green Initiative in Mutual Funds' shall also include the scheme risk-o-meter, name of benchmark and risk-o-meter of benchmark.



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4. The disclosure requirement of the risk-o-meter of benchmark is applicable for primary benchmark which is specified in the Scheme Information Document.
5. For international benchmarks, risk-o-meter score may be assigned in line with risk-o-meter score assigned to foreign securities as specified in SEBI circular on Product Labeling in Mutual Fund schemes –Risk-o-meter dated October 5, 2020.
6. With regard to para 2(b) of SEBI circular SEBI/HO/IMD/IMD-II DOF3/P/CIR/2021/555 dated April 29, 2021, AMCs shall provide a feature wherein a link is provided to investors to their registered email to enable the investor to directly view/download only the portfolio of schemes subscribed by the said investor.
7. AMCs shall enter into arrangements with their selected Index providers to provide the risk-o-meter for their benchmarks to the AMCs latest by the fifth day subsequent to the end of the month.
8. The provisions of this circular shall be applicable with effect from October 1, 2021. However, AMCs may choose to adopt the provisions of this circular before the effective date
9. 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,

Bithin Mahanta

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