



ASSOCIATION OF MUTUAL FUNDS IN INDIA

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A. P. KURIAN
CHAIRMAN

135/BP/8/04-05

February 15, 2005

To all AMFI members.



AMFI Best Practices Guidelines Circular no. 08/2004-05

Prudential guidelines on Banks' investment in non-SLR securities

As per RBI circular no. DBOD No.BP.BC.53/21.04.141/2003-04 dated December 10, 2003 on prudential guidelines on banks' investment in non-SLR securities, "With effect from January 1, 2005, only investment in units of such mutual fund schemes which have an exposure to unlisted securities of less than 10 per cent of the corpus of the fund will be treated on par with listed securities for the purpose of compliance with the prudential limits prescribed in the above guidelines."

Banks are now requesting the AMCs for a letter certifying their holding in unlisted securities. In the interest of standardizing the same for the industry, we had circulated a draft seeking your views.

Based on the feedback received from members, we have now finalized the certificate as under:

...2/-

Contd.....AMFI Best Practices Guidelines Circular no. 08/2004-05

<DATE>

To Whomsoever It May Concern:

We, <the AMC NAME>, hereby confirm that the investments in Unlisted Debt Securities (excluding Money Market Instruments, Debt Securities of original maturity of less than 365 days, Governments Securities, Asset Backed Securities and Mortgage Backed Securities) was as under for following schemes of <the AMC NAME> as on January 31, 2005.

Name of the Scheme

Investment in Unlisted Debt Securities % to Net Assets

<FUND NAME 1>	-----%
<FUND NAME 2>	-----%

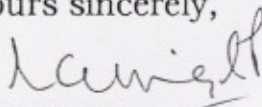
<the AMC NAME>

Authorised Signatory

This draft is suggested as the best practice guidelines to be used as a standard format by all members.

Thank you and with regards,

Yours sincerely,


A.P. Kurian

