



CIRCULAR

SEBI/HO/IMD/IMD-II/DOF3/P/CIR/2021/571

June 03, 2021

**All Mutual Funds (MFs)/
Asset Management Companies (AMCs)/
Trustee Companies/ Board of Trustees of Mutual Funds/
Association of Mutual Funds in India (AMFI)**

Sir / Madam,

Sub: Enhancement of Overseas Investment limits for Mutual Funds

1. The Para 1 of SEBI Circular No. SEBI/HO/IMD/DF3/CIR/P/2020/225 dated November 05, 2020 specified the overseas investment limits per Mutual Fund.
2. In this regard, based on the representations received from Mutual Fund industry to enhance the investment limits per Mutual Fund, the limits are being revised as under:
 - 2.1 Mutual Funds can make overseas investments subject to a maximum of US \$ 1 billion per Mutual Fund, within the overall industry limit of US \$ 7 billion.
 - 2.2 Mutual Funds can make investments in overseas Exchange Traded Fund (ETF(s)) subject to a maximum of US \$ 300 million per Mutual Fund, within the overall industry limit of US \$ 1 billion.
 - 2.3 In respect of investment limits to be disclosed in the scheme documents at the time of NFO as specified in Para 2.2 of the aforesaid circular, and the investment limits on ongoing schemes as specified in Para 2.3 of the



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aforesaid circular, such limits would henceforth be soft limits for the purpose of reporting only by Mutual Funds on monthly basis in the format prescribed vide SEBI circular dated November 5, 2020.

3. All other conditions specified in the above mentioned circular shall remain unchanged.
4. This circular shall come into force with immediate effect.
5. 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 Regulation 77 of the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 to protect the interests of investors in securities and to promote the development of, and to regulate the securities market.

Yours faithfully,

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